

OPERATING AND CAPITAL IMPROVEMENT BUDGET

Fiscal Year 2025
July 1, 2024 – June 30, 2025



Pittsburgh Regional Transit

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GFOA Award

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Port Authority of Allegheny County, for its Annual Budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Port Authority of Allegheny County Pennsylvania

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director



Board of Directors

Officers

Jennifer M. Liptak, Chairperson of the Board of Directors

Representative Nick Pisciotano, Vice Chairperson of the Board of Directors

Senator Jim Brewster, Secretary of the Board of Directors

Ali Doyle, Treasurer of the Board of Directors

Directors

Joseph C. Totten III

Lori Mizgorski

Bobbie Fan

Stephanie Turman

Tom Burgunder

Tia McClenney

Emma Shoucair

Chief Executive Officer



Katharine Kelleman

Senior Staff



Donminika Brown, Chief Financial Officer



Michael Cetra, Chief Legal Officer



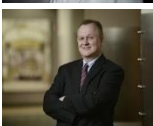
Inez Colon, Chief Human Resources Officer



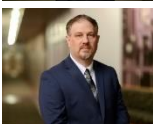
Jeffrey Devlin, Chief Information Officer



Charles Reeves, Chief Transportation Officer



James Ritchie, Chief Communications Officer



Donald A. Rivetti, Jr., Chief Maintenance Officer



Amy Silbermann, Chief Development Officer

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Introduction

I am pleased to present Pittsburgh Regional Transit's Fiscal Year 2025 Operating and Capital Budgets for the year ending June 30, 2025. This document outlines a financial plan that will guide day-to-day decision-making at PRT, while also providing a strategic foundation for our long-term vision.

This fiscal year marks a pivotal moment in PRT's history. As we emerge from the challenges posed by the global pandemic, we are navigating a new landscape where many traditional transit commuters now work in hybrid environments. Like many transit agencies across the nation, we face declining ridership and reduced availability of stimulus funding to support operations. The FY 2025 budget serves as a financial roadmap not only for PRT but also for our community stakeholders and policymakers at the federal, state, and local levels who play a crucial role in ensuring that PRT has the resources necessary to continue serving our riders. We have already engaged with these policymakers and successfully secured an additional \$11 million in short-term State Operating Assistance, which is essential for maintaining safe, reliable, and affordable transportation. PRT will continue working with stakeholders to secure the necessary funding to support service levels that meet the needs of our region.

Background

FY 2024 marked the second full fiscal year since FY 2019 that PRT was not operating under a COVID-19 national emergency. During the three-year period from March 2020 to April 2023, we implemented numerous initiatives to enhance safety for our riders and employees. In FY 2024, we maintained our focus on safety while addressing staffing shortages that affected service reliability. To attract new talent, we increased our community outreach and doubled the capacity of our operator training classes from 25 to 50 new hires.

PRT received over \$502.5 million in federal stimulus funding to mitigate the impact of the pandemic. As we enter FY 2025, \$10.2 million of that funding remains available to offset reduced passenger revenues. Additionally, we have over \$400 million in deferred State Operating Revenue Reserves to address a \$78.2 million structural deficit in the FY 2025 budget, which has now been reduced to \$67.2 million due to the increased State Operating Assistance.

State Capital Funding decreased slightly in FY 2025 to \$135.9 million from \$137.4 million in FY 2024. This change reflects adjustments to public transportation funding mechanisms under ACT

89. Previously, \$450 million in bond financing from the Pennsylvania Turnpike funded public transportation capital projects. Since FY 2023, \$400 million in Statewide transportation funding now comes from the Motor Vehicle Fund. This shift is significant as PRT prepares to replace an aging rail fleet with new railcars. The new funding structure enables PRT to issue bonds backed by this revenue.

Advancements

Significant progress has been made on the goals outlined in our Strategic Plan and NEXTransit, PRT's long-range plan. One major initiative is Bus Line Redesign, our first complete network redesign in over a decade. This effort, launched in FY 2023, aims to rethink our bus network to improve service quality and reliability, expand connections, attract new riders, and better serve communities with the greatest transit needs. Our approach is data-driven and includes extensive public engagement. The redesign focuses on increasing bus frequencies, enhancing geographic access to frequent transit, and simplifying the network for riders.

Additionally, PRT has transitioned two new fare programs from pilot status to full implementation. In partnership with Allegheny County's Department of Human Services, half-price fares are available to eligible Supplemental Nutrition Assistance Program (SNAP) recipients. In FY 2025, we will also launch a Universal Pass PRTner Program, allowing employers, multi-unit residential owners, and schools not currently participating in the U-PASS program to purchase heavily discounted passes in exchange for committing to provide passes for all eligible individuals.

Future Challenges

While PRT is seeing gradual increases in passenger revenue, the long-term impacts of the pandemic remain uncertain. We must remain adaptable as we address evolving rider needs, including the growing convenience of grocery and food delivery and the continuation of remote work. PRT is actively collaborating with transit agencies across the Commonwealth and with state and local leaders to secure additional financial resources to potentially delay the "fiscal cliff" and support ridership recovery.

Despite these challenges, we continue to invest in critical infrastructure, including the \$291 million Bus Rapid Transit (BRT) project between Oakland and Downtown. Construction has begun on the first phase, focusing on station and design improvements in downtown Pittsburgh. We are also reviewing bids for the second phase, which will enhance service in one of our region's most heavily traveled corridors.

Looking ahead, PRT remains committed to advancing the projects outlined in the NEXTransit Long-Range Plan, including the replacement of the Main Bus Repair Shop with a state-of-the-art facility and the construction of a fifth bus garage to alleviate overcrowding.

Acknowledgement

I would like to thank PRT's Board for their leadership and support during these dynamic and often tumultuous times. I also want to extend my gratitude to our dedicated employees for their commitment to providing excellent service. Most importantly, I want to express my appreciation to our loyal riders. It is an honor to serve you, and we look forward to continuing to meet your transportation needs.

Respectfully submitted,

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

Katharine Kelleman
Chief Executive Officer
Pittsburgh Regional Transit

Allegheny County

Allegheny County is located in the Southwestern corner of Pennsylvania. It was founded on September 24, 1788, by General John Forbes, who combined portions of Westmoreland and Washington Counties. At the center of the County, the Allegheny and the Monongahela rivers converge to create the headwaters of the Ohio River. The population, per the 2023 Census,



stands at 1,224,825 which makes it the second most populous county in Pennsylvania. The City of Pittsburgh, located in the heart of the three rivers, is the county seat. The County is 745-square miles; 730 square miles of land and 15 square miles of water. Much of Allegheny County is covered with forests and farmland. Temperatures are highest in July with an average of 83 degrees

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

According to the most recent census, there were 608,893 households and 2.22 persons per household residing in Allegheny County. Population density was 1,713 per square mile of land. The racial makeup was 79.1% White, 13.5% Black or African American, 0.2% American Indian, 4.5% Asian, and 3% Hispanic or Latino. About 2.7% of the population were two or more races. 51.2% of the population was female. 18.5% of the population were 18 years of age or younger while 20.8% were 65 years of age or older.

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

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

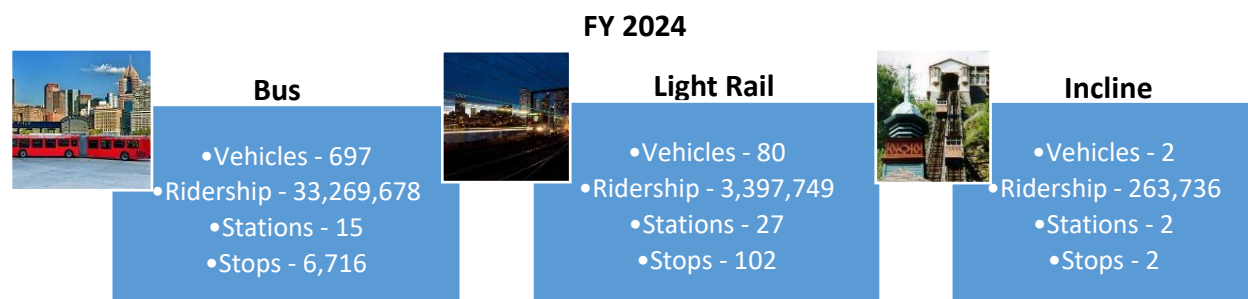
Port Authority of Allegheny County, DBA Pittsburgh Regional Transit (PRT)

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

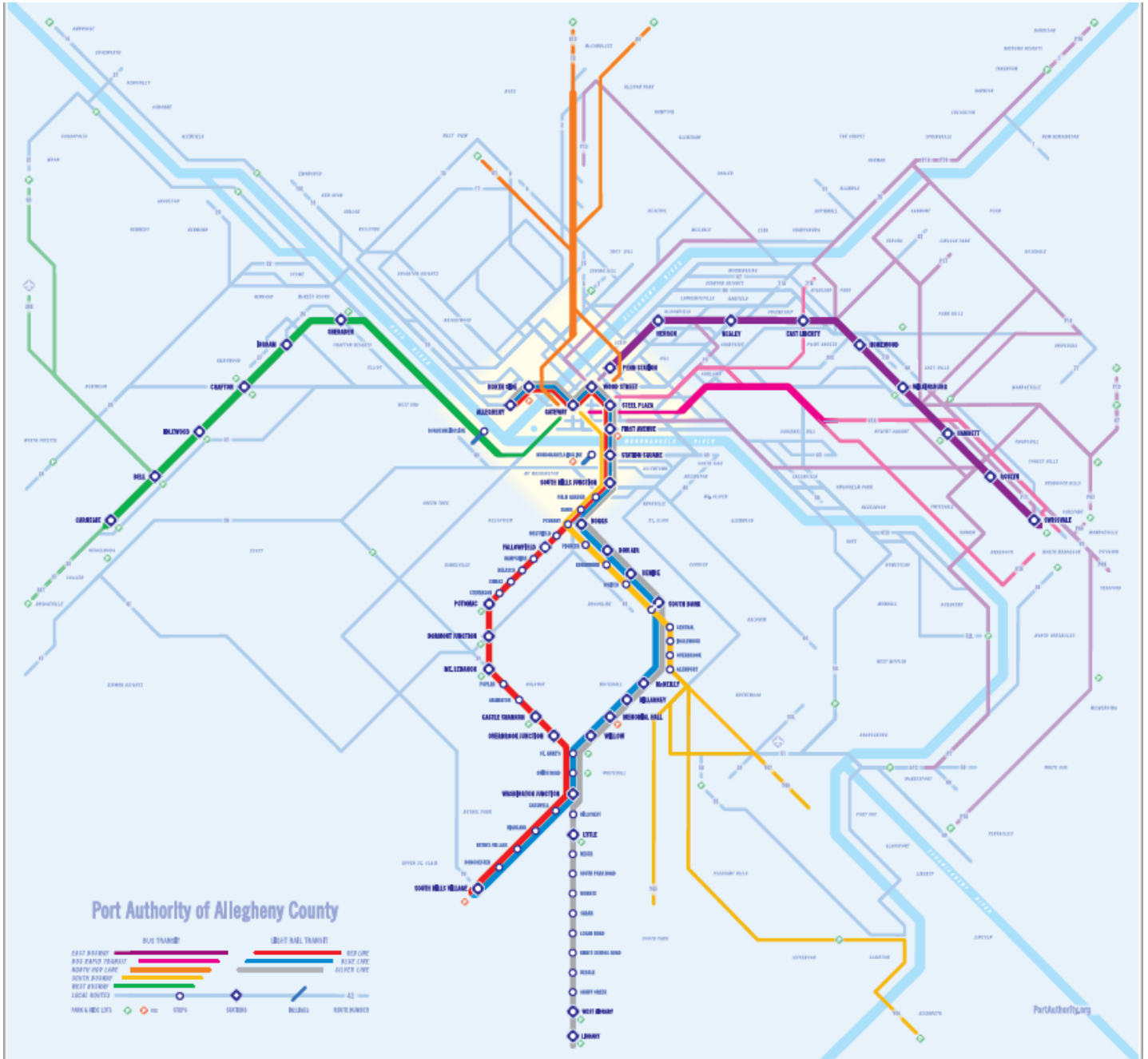
As of FY 2023 the organization is referred to as Pittsburgh Regional Transit. The name change is part of a re-branding campaign to be completed over the next few years. Pittsburgh Regional Transit operates within the 745-sq miles of the County, serving a population base of 1.251 million people. The transit network includes fixed route bus service, the light rail system, and the Monongahela Incline. The Agency also provides ACCESS service, a coordinated, shared-ride paratransit system offering door-to-door, advanced reservation transportation for elderly and handicapped persons. ACCESS has been recognized as one of the nation's premier paratransit systems.

Pittsburgh Regional Transit directly operates approximately 700 buses that vary in size from 35 to 60 feet, 80 light rail vehicles, and the Monongahela Incline. PRT assets include 7 maintenance and storage garages, 3 exclusive busways (the 4.3-mile South Busway, the 9.2-mile Martin Luther King Jr. Busway, and the 5-mile West Busway), the Wabash Tunnel and the 26.2 mile "T" light rail system.

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



Pittsburgh Regional Transit System Map



Pittsburgh Regional Transit Ridership Profile

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



Rider Profile at a Glance

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

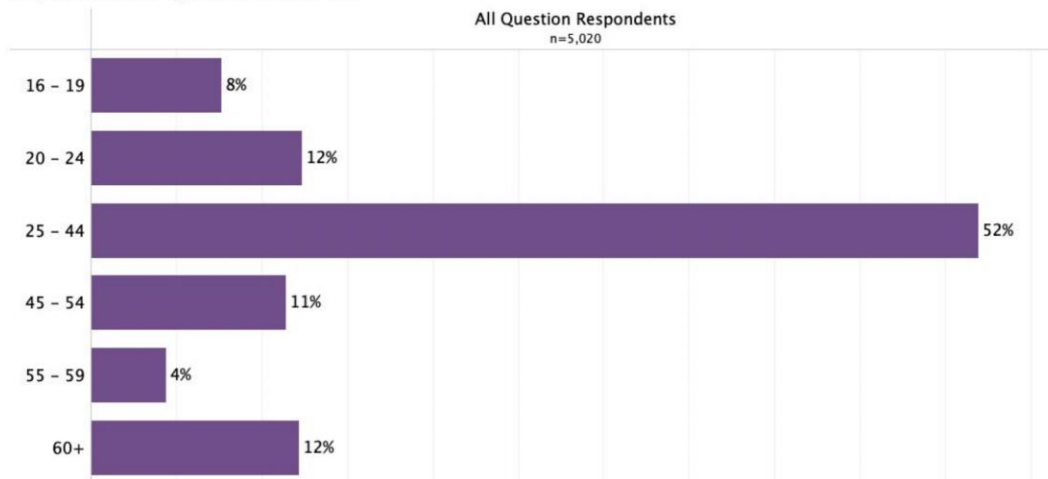
*PNTA = Prefer Not To Answer



Age

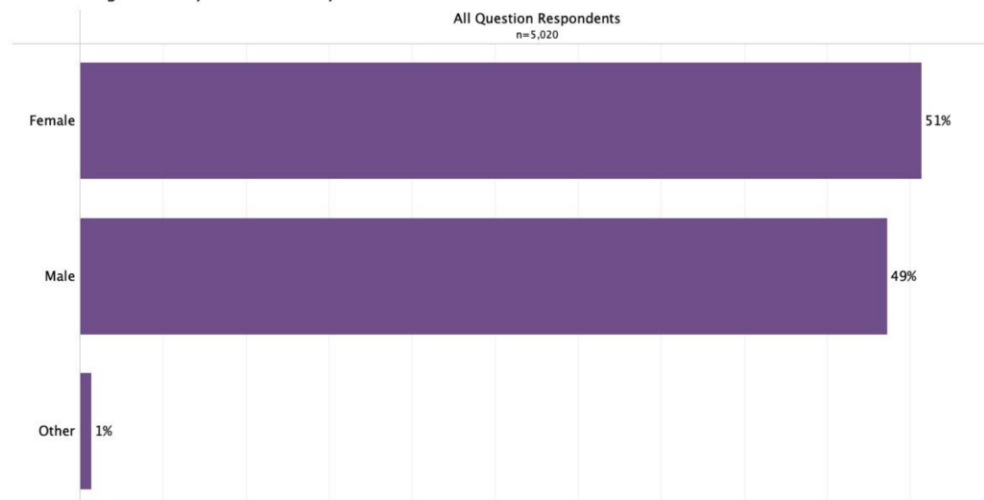
What is your age?

Respondents under age 16 were terminated.



Gender

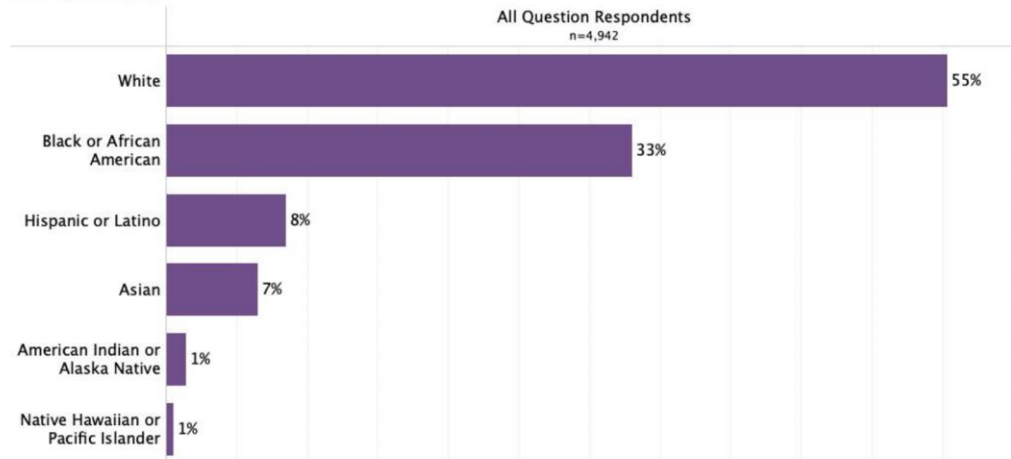
With which gender do you most identify?





Race/Ethnicity

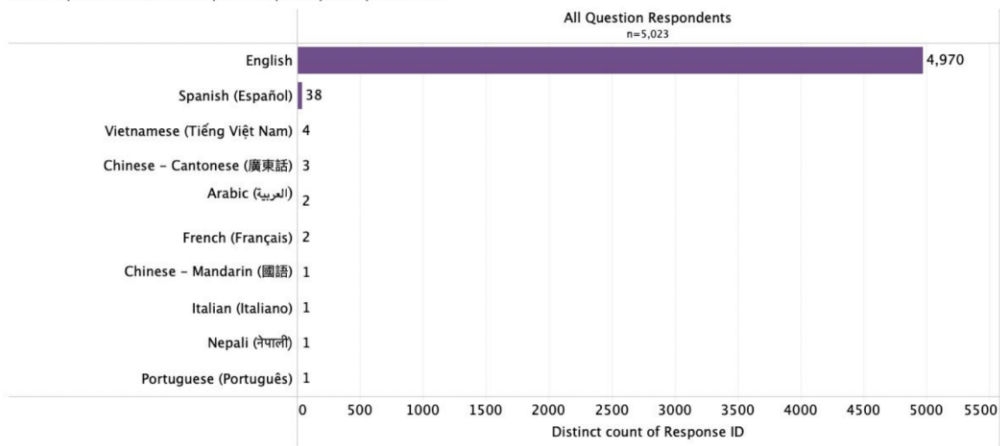
How do you identify yourself?
Select all that apply.



Primary Language

What is your primary language?

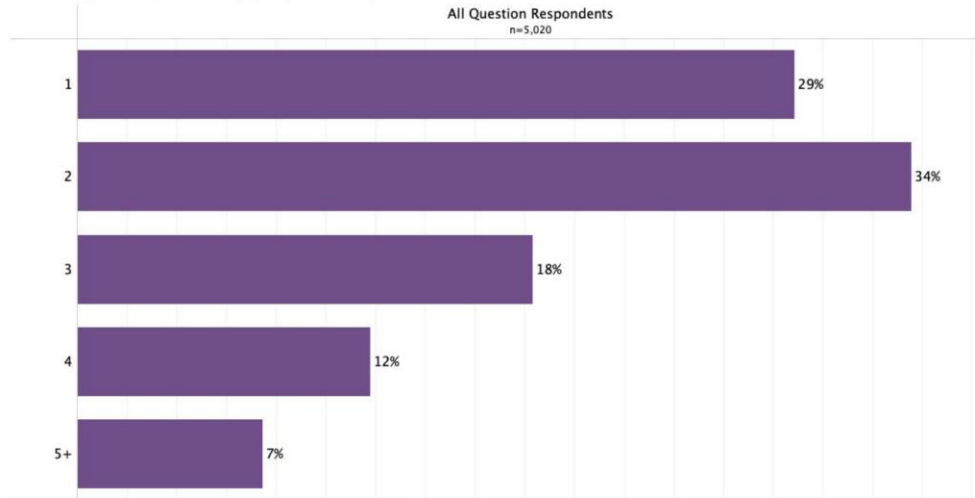
Note: item was asked of all approached riders, including those who did not qualify for or want to continue participating in the survey. Results represent more respondents than the scope of the primary survey collection.





Household Size

Including yourself, how many people live in your household?



Rider Characteristics

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

*PNTA = Prefer Not To Answer

Strategic Plan

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

MISSION

"Advance our region by investing in our communities and connecting people in a safe, equitable, and reliable manner."

VISION

"Be our region's transportation mode of choice by delivering an innovative network that is clean, sustainable, and equitable; a network that enables individuals, businesses, and economies to thrive."

VALUES



Key Performance Indicators – KPIs

KPIs are performance measures that track progress towards each strategy. Performance measures serve two purposes in planning and managing strategy:

1. Measures help to clarify the completion of the goals and objectives.
 - In communicating strategic goals to the workforce and stakeholder groups, performance measures help to clarify the intent of each goal and objective by evidence of achieving the goals.
2. Measures monitor performance of the agency.
 - In measuring performance, data is collected and analyzed that indicates how well the organization is performing in achieving its strategic goals.

Monitoring and Evaluation

- Overall
- Customer/Marketing
- Operations
- Human Resources
- Finance/Accounting
- System

Potential Transit Key Performance Indicators / Success Factors

- | | |
|---|---|
| • On-Time Performance (OTP) | • Grant money optimization |
| • Ridership | • Management of maintenance costs |
| • Fare revenue | • Operating expense ratio |
| • Customer satisfaction and public satisfaction | • Recovery rates |
| • Percent of equipment at or past Useful Life Benchmark (ULB) | • Stakeholder (local, state, federal) support |
| • Levels of service, including Act 44 performance criteria | • Strategic goal completion targets |
| • Ridership increases in terms of percentage increases or revenue | • Succession planning; talent management |
| | • Mandated regulatory measures |

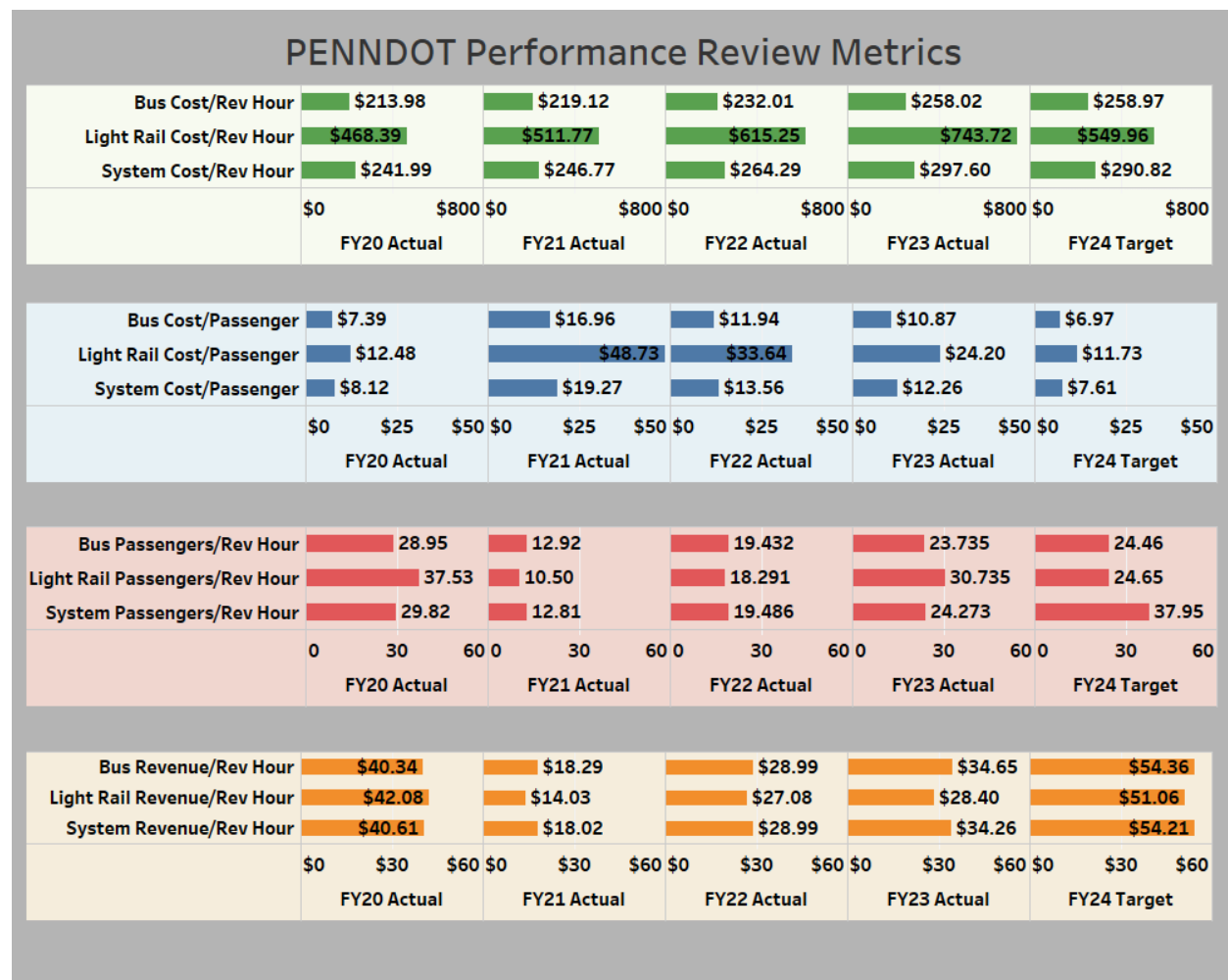
ACT 44 Performance Determinations:

- Single-year and five-year trend for Operating Cost /Revenue Vehicle Hour
- Single-year and five-year trend for Operating Cost/Passenger
- Single-year and five-year trend for Passengers/Revenue Vehicle Hour
- Single-year and five-year trend for Operating Revenue/Revenue Vehicle Hour

The development of this strategic plan originally resulted in four strategic goals, which included accountability, customer experience, organizational resilience, and sustainability. As the plan progressed forward, sustainability was eliminated as a stand along goal and instead incorporated into the remaining three goals. The strategic plan provides objectives for each goal, which are outlined below, and then goes into further detail by providing strategies for successfully obtaining the objectives. Within each strategy there are a number Action Items that help to clarify what needs to take place for the strategy to be completed successfully and include Key Performance Indicators (KPIs) for each.



As referenced above, each goal has a list of objectives to help guide progress towards completion, and each objective then has strategies which provide details and action items as to how each objective will be completed and measured. Below are the Act 44 Performance metrics followed by a list of year 2 objectives detailed within the Strategic Plan that have target dates within FY 2025.



Objective A1: Demonstrate high organizational efficiency and effectiveness.

Strategy A1.3: Create a knowledge management function that documents and stores key organizational processes and procedures, ensuring information is captured and accessible.

Division Champion: **CEO**

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Develop a standardized method for creating standard operating procedures						
Supporting Division Action Items						
LEGAL: Assist with research/preparing agreements as needed to address technology upgrades and retention schedules to inform organizational process changes. AIS and Finance & DEVELOPMENT: Support implementation of new electronic processes.	Benchmarking against other transit properties	\$30,000.00	Number of processes listed on crossroad or JD's new system	Discovery imparting new best practices or research training programs. Each division has a knowledge section on	7/1/2024	6/30/2027
LEGAL: The Legal Department will prepare a standard operating procedures manual that provides a summary of key Legal Department functions and responsibilities. Chapters will be developed annually (insurance administration; claims litigation; right-to-know and open records; procurement; real estate). Once completed, to be reviewed and updated on a triennial basis.	N/A	Budgeted	Will track by relevant staff leads in Department via Performance Management Review Program for Non-Reps.	Annual completion of designated chapter.	7/1/2022	6/30/2027
LEGAL: The Internal Audit Department will update the IA Charter for Board review and approval and maintain 18-month IA Work Plans detailing the key functions of the Audit Department and how audit hours will be allocated. Review annually and update the IA department Policy and Procedure manual. CEO's Office For support of IA Work Plans and audit report review prior to Board presentations of same. All Divisions support depending on audit topic(s).	N/A	Budgeted	Will track via Performance Management Review Program for Non-Reps.	80% Overall completion target rate per industry standards; Triennial IA Department Peer Reviews.	3/1/2023	June 30, 2023 (Updated IA Charter and new 18-Month Work Plan)
LEGAL (Claims): The Claims Department will identify and implement electronic processes that will: a) replace current paper reporting of worker's compensation claims with an electronic based reporting method; and b) develop and	UPMC Work Partners (Managed Care Vendor) - Risk Master	Budgeted	Track progress via Performance Management Program for Non-Reps for Claims Director and	Implementation of new electronic processes and elimination of	7/1/2023	6/30/2026
implement an electronic process to enable all medical providers for both Auto Liability and Worker's Compensation claims to submit invoices directly to PRT's contracted vendor for repricing purposes and automated payment of repriced invoices by PRT.	program enhancements		designated management personnel.	paper processes for same.		

Objective A2: Implement financial management practices that improve the viability of the organization.

STRATEGY A2.4 Implement policies that convert paper to electronic processes by 35% to minimize waste, expedite employee and vendor transactions, enhance decision-making, and reduce risk of fraud.

Division champion: AIS

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Identify processes that are capable of conversion, such as documents requiring signatures. Review all processes/workflows with the purpose of automating them	Develop framework to be used to determine processes that can be converted to electronic process	Driven by technology	processes converted to digital (goal of 3 6/30/2027)	reduction of paper by 35%	1/1/2023	6/30/2027
Establish baseline usage of paper and storage.	Temp/consultant to convert paper to electronic	Cost for staffing (temp or consultant) - not within current staffing resources	Track paper consumption and/or storage space (and cost)	Year 1 - discussions need to start sooner than later	Policies likely won't be implemented until Year 2	
Alert on contracts for paper consumption Establish notification linkage with Admin Services when paper is ordered	Additional cost would be negligible	Finance- Expense baseline already established. Need to establish volume baseline.	Finance-Completion would be measured by successfully reducing paper volume by 35%	7/1/2023	6/30/2024	
Storage of electronic files - need an organized system and centralized repository Working with AIS on pilot project to reduce storage of Accounts Payable documents. If successful, project could be replicated in other departments.	Will test Sharepoint alternative provided by AIS Assuming AIS has in-house expertise to facilitate project.	Finance- An electronic storage system should result in both less off-site and on-site storage which should both be measurable.	Finance-Success would be measured by an overall reduction in space devoted to physical storage.	6/30/2025	6/30/2025	6/30/2024
Investigate copier functionality that tracks copying per user. Will need to work with AIS and Admin Services on whether copiers have capability to generate usage reports	Unknown if current copier ecosystem does not provide functionality	Finance-KPI's could potentially involve periodic reports detailing paper usage by employee.	Finance- Completion would involve successful roll out of reporting structure if it currently exists.	6/30/2024	6/30/2024	

A2.4 Supporting Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
FINANCE: Support implementation of new electronic processes.	Benchmarking against other transit properties	\$30,000.00	Number of processes listed on crossroad or JD's new system	Discovery imparting new best practices or research training programs. Each division has a knowledge section on landing page	7/1/2024	6/30/2027
FINANCE: Working with AIS on pilot project to reduce storage of Accounts Payable documents. If unsuccessful, project could be replicated in other departments.	Finance- Will test Sharepoint alternative provided by AIS. Assuming AIS has in-house expertise to facilitate project.		Finance- An electronic storage system should result in both less off-site and on-site storage which should both be measurable.		7/1/2024	6/30/2025
FINANCE: Will need to work with AIS and Admin Services on whether copiers have capability to generate usage reports	Finance- Unknown if current copier ecosystem does not provide functionality		Finance-KPI's could potentially involve periodic reports detailing paper usage by employee.		7/1/2023	6/30/2024
PLANNING: Utilize BidWeb for operator bidding	BidWeb	None	Days to complete a pick	Use of Bidweb	7/1/2024	6/30/2025
LEGAL: Retention policy, electronic signatures CEO: Establish agency policy	Temp/ consultant to convert paper to electronic	Cost for staffing (temp or consultant) - not within current staffing resources	Track paper consumption and/or storage space (and cost)	Final agreement on policy between Finance, Legal, and IT	Year 1 - discussions need to start sooner than later	Policies likely won't be implemented until Year 2

Objective A3: Provide and facilitate equitable opportunities to encourage prosperity in our communities.

Strategy A3.2: Prioritize investments and economic development opportunities within high equity communities (i.e., neighborhoods, affordable housing, greenspaces, and planning).

Division Champion: Development

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/ Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Update Station Evaluation to add greater focus on equity and access to prioritize upcoming Station Area Planning projects.	N/A	N/A	% of investment in underserved communities	Station evaluation update complete. Station area plans prioritized. Complete and publish Station Area Plans for one station each year.	12/31/23	12/31/24
Amend Public Art Policy to allow community involvement in art selection process. Deliver public art installations in disadvantaged communities consistent with station area plans.	Staff support	Project budget	% of investment in underserved communities	One art project has completed Art Committee steps towards construction/installation. Name an Arts Committee and develop a protocol for implementing the Board-adopted Art Policy.	9/1/23	12/31/24
Staff develop and board adopts equitable TOD policy.	Policy development	N/A	N/A	Board adoption of policy.	7/1/23	3/31/24
Launch Transit Access Improvement Program during FY24 and prioritize projects in disadvantaged communities to overcome inequitable access to transit.	N/A	Initial project already funded.	# of projects in disadvantaged/high equity communities; % of increase of ridership in communities	One project is advancing to construction.	4/1/23	11/1/25
A3.2 Supporting Division Action Items	Needs Assessment (Resources and Skills)	Costs/ Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
LEGAL: Review and assist in presentation of E-TOD Policy; continue to provide Legal and Real Estate support for SA Planning and Improvement efforts and arts policy and committee processes and work.	N/A	N/A	N/A	Policy established and presented	9/1/2023	12/31/2024
LEGAL: Policy development	Policy development	N/A	N/A	Board adoption of policy	7/1/2023	3/31/2024

Strategy A3.3: Increase the percentage of procurement contract values awarded to DBEs by 25% over their respective 2022 values.

Division Champion: HR
Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Work with a consultant to develop and maintain triennial DBE goal methodology by June 2024.	acquire consultant firm	Yes	% change of DBE contract values	Meeting 25% goal (ongoing)	Now	ongoing
Procure and implement contract compliance software to better track DBE spending by December 2024.	Dashboard tracking system \$ spent	n/a	Percent of \$ spent	Meeting 25% goal (ongoing)	Now	ongoing
A3.3 Supporting Division Action Items						
COMMS: Government Relations should be involved in monitoring State Legislation to implement goals versus "best effort"	acquire consultant firm	Yes	% change of DBE contract values	Meeting 25% goal (ongoing)	Now	ongoing
LEGAL: Continue to provide support and sub-consultant for triennial DBE development (has already begun work on Triennial DBE Goal methodology).	Dashboard tracking system \$ spent	n/a	Percent of \$ spent	Meeting 25% goal (ongoing)	Now	ongoing
FINANCE: Assist with procurement	Dashboard tracking system \$ spent	n/a	Percent of \$ spent	Meeting 25% goal (ongoing)	Now	ongoing
AIS: Assist with procurement						

Objective A4: Establish social responsibility by being an active and consistent community partner.

Strategy A4.1: Expand community outreach with neighborhood leaders to deepen relationships, promote reciprocal information sharing, and empower our community in the decision-making process

Division Champion: Communications

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
1. Participate in higher-profile community events to enhance community outreach	Consultant support - capital/maintenance outreach and comms.	\$50,000.00 consulting	# community events participated and # of potential reach of event;	Annual	Now	Annual
2. Increase sponsorship spending			\$ spend on sponsorships and # orgs receiving sponsorships;			
3. Connect to capital and maintenance projects impacting neighborhoods/riders			# PRT projects receiving outreach			
4. Maintain and grow municipal and stakeholder relationships			# of PRT employees participating/attending outreach events			
5. Centralize customer service						

A4.1 Supporting Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
LEGAL (Police): 1. Establish new relationships with school district administrators and the students that PRT serves and participate in youth focused events to build relationships between PRT operators and youth 2. Partner with other social service entities to participate in events in communities that are serviced by PRT.	Consultant support - capital/maintenance outreach and comms.	\$50,000.00 consulting	# community events participated; \$ spend on sponsorships and # orgs receiving sponsorships; # PRT projects receiving outreach	Annual	Now	Annual

Objective CE1: Collect listen and respond to customer feedback to meet changing needs.

STRATEGY CE1.1: Design customer survey trend analysis to accurately capture feedback that guides development of transportation options, information technology improvements, equitable access, employee and customer satisfaction, and service accessibility and needs.

Division Champion: Communications

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Implement online engagement services develop internal group to regularly monitor, evaluate, and make decisions based on trend analysis. Likely involves all divisions. Requires initial discussion about implementing and managing this going forward.	Consulting resource?	\$80,000.00	# of initiatives considered, piloted, or established Based on results	Ongoing	Start process in FY24	Ongoing
Supporting Division Action Items						
LEGAL (Police and Safety): Can provide input and would benefit from questions being added to surveys that focus on Safety and Security issues.	Consulting resource?	\$80,000.00	Total number of new service deliverables.	Ongoing	Start process in FY24	Annual

STRATEGY CE1.2: Achieve targeted customer satisfaction across all categories of ridership.

Division Champion: Transportation

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
<ol style="list-style-type: none"> 1. New operator/maintenance Customer Experience Training module for all new hires - (SEE BELOW) 2. Complete a training needs analysis for all MAP positions - last one completed in 2019, next one to start FY24 (required every 5 years) 3. Division management will work with safety and the instruction department to track customer boarding and alighting incidents. In year one, this new tracking system will be built and tested for accuracy and feasibility. - monitor 4. Facilities group will implement a new system key replacement and log system in the first year. - complete 5. Implement Post-COVID Operations Plan - Identify what is standard now 	<p>4 additional customer experience advocates, and a customer experience manager, assistant Director for maintenance training and two additional bus instructors</p> <p>Instructors may need to assist with in person training, or use LMS for online training</p>		<p>Three Years: A refresher course will be in rotation for all operators.</p> <p>Five Years: All operators will have attended this new Customer Service Training program. This effort ties into the organization's new customer centric focused mindset.</p>		<p>New Maintenance – 1/1/24 New Operator – 1/1/24 Refresher - 7/1/24</p>	<p>Refresher - 1/1/27</p>

Supporting Division Action Items	Needs Assessment (Resources and Skills)	Costs/ Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
PLANNING: Identify all trends of early trips (either leaving the garage early) or persistent run time issues, and develop schedules to minimize	Identify all trends of early trips (either leaving the garage early) or persistent run time issues, and develop schedules to minimize	Need HASTUS 2023 version to be able to add MinBus	Target increasing 3% in Year 1 for OTP system wide Year 2, 3% Year 3, 2% Year 4, 1% Year 5, adjust as necessary to ensure 73% or current standard	% of trips early	Ongoing	Now
MAINTENANCE: Bus Cleanliness Reduction in bus and rail maintenance failures			1. % bus cleanliness on Customer Surveys 2. Mean distance failures for rail and miles between failures for bus	1. Increased TBD 2. Decrease TBD	Now	Ongoing
HR: Provide training and development resources.	1. 4 additional customer experience advocates, and a customer experience manager, assistant Director for maintenance training and two additional bus instructors 2. Instructors may need to assist with in person training, or use LMS for online training	N/A			1. FY25 2. TBD ('24)	

STRATEGY CE1.6: Implement Customer Education Campaign to expand public awareness of PRT programs, incentives, initiatives, and services

Division Champion: Communications

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
1. Centralize customer service 2. Develop a branding plan 3. Create an easily accessible online platform or another online method such as webcasts or publish a newsletter regularly. Inform customers more often, especially regarding new projects, programs, or fare or service changes 4. Establish an electronic communications channel or method and/or regularly published newsletter to continuously engage, communicate with, and inform customers 5. Improve our communications materials with the public to ensure that the materials are easy to understand and free from industry jargon Create a program that identifies ""transit-friendly organizations"" (create metrics - located on a transit line, have transit-friendly hours, offer transit passes) and create levels of membership	Rider news - possible email marketing program.	\$10,000.00	# of subscribers # of viewers # of communication s platforms	Development of the tool	FY24	Ongoing
Supporting Division Action Items						
FINANCE - approve giveaways for swag/passes LEGAL - review legal aspects LEGAL (Police): Distribute communications material ("Staying Safe on PRT" pamphlet currently being distributed) to school districts and corporate entities serviced by PRT to increase awareness of PRT Police services.	Rider news - possible email marketing program.	\$10,000.00	Subscribers	Development of the tool	FY24	Ongoing

Objective CE2: Operate an equitable transit system that supports thriving communities.

Strategy CE2.2: Monitor, track, and analyze investment impact in low income and underserved neighborhood programs and projects

Division Champion: Development

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
Develop a tracking tool to monitor investment spending by neighborhoods, and marry this information with equity data	GIS, project lists and locations, budget amounts.	\$100,000.00	historical capital investment by equity neighborhood quintiles (or similar)	Map/tool goes live	7/1/2023	6/30/2025

Strategy CE2.3: Establish fare structures that support greater regional access to transit ridership for all income levels while minimizing negative revenue impacts

Division Champion: Finance

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
With AIS division, establish a customer-facing dashboard of Ticket Vending Machine (TVM) availability by December 2025.	Internal Working Group has been assembled for the Fare System Refresh Project	\$100,000.00	Finance and/or IT- KPI's would equate to attaining project milestones for both a TVM dashboard and Account Based Ticketing.	no card-based accounts remaining	May-23	12/25
In conjunction with AIS, Planning and Strategic Planning will need to develop decision matrix for issues related to Bulk Pass Program and Fare Capping	PRT will need the expertise of an outside Fare Consultant to measure impacts	Finance: Outside Fare consultant is budgeted in FY2024	n/a	completion of decision-making matrix	Finance-May 23	12/25

CE2.3 Supporting Division Action Items						
COMMS: Customer Service, communications	Support initial rollout of fare changes publicly through PR, outreach, marketing activities and assist in gathering input; later develop promotion campaign to support fare policy/structure change for riders.	\$100,000.00	Outreach events, public comment gathered; and later, placements and reach through PR and marketing activities.	Unsure based on initial action items listed.	Uncertain - don't know project timeline, steps, goals.	Jun-25
LEGAL: Review and provide guidance as to requirements for any proposed fare policy or program changes, including public engagement and Board approval.	Require Fare Consultant to measure financial and Title VI Impacts	N/A	N/A	N/A	N/A	Jun-24

Objective R5: Develop the infrastructure needed to deploy a zero-emission fleet by 2045.

STRATEGY R5.3: Develop incremental targets for becoming carbon neutral.

Division Champion: CEO's Office

Year 2

Champion Division Action Items	Needs Assessment (Resources and Skills)	Costs/Budget Needs (\$)	Performance Management (KPIs)	Events Triggering Completion	Estimated Initiation Date	Estimated Completion Date
PLAN/CEO: 1. Develop specification for light rail vehicle procurement by 12/31/2023 2. Develop a zero-emission fleet plan 3. Establish electric charging standards and prepare operating divisions for electric charging 4. Initiate Facilities Master Plan and Complete by 12/31/2023 Incorporate 2025, 2030, and potentially 2040 targets into Climate Action Plan consistent with peer agencies' efforts and FTA guidelines.	n/a	budgeted	GHG emissions by source via annual updates to GHG inventory.	climate action plan completion.	4/1/2023	12/31/2023
Supporting Division Action Items						
Legal: Provide procurement and contract negotiation support; participate (CLO) on Facilities Master Plan working group.	N/A	Budgeted	GHG emissions by source via annual updates to GHG inventory	Climate action plan completion	4/1/2023	12/31/2023



ACCOUNTABILITY

Institute operational processes to serve our region in a transparent, equitable manner that aligns with Pittsburgh Regional Transit's mission and goals.

Accountability is incorporating business practices and tools that permit Pittsburgh Regional Transit to continuously improve its ability to provide and operate a safe, equitable, and reliable network. It is the responsibility of Pittsburgh Regional Transit leadership to deliver a balanced and sustainable operations and capital program, while ensuring work is performed and managed efficiently and effectively in support of the organization's mission and values.



RESILIENCY

Adapt and respond to new and changing conditions through proactive policies, processes, and initiatives.

As a transit agency, it is important to be prepared and responsive to unforeseen situations such as environmental conditions, political decisions, or transit system incidents. Pittsburgh Regional Transit's goal is to always remain agile and quickly adapt to challenges that could affect the operations, success, and sustainability of the organization.



CUSTOMER EXPERIENCE

Center the customer and community by providing safe, equitable, and reliable service.

Pittsburgh Regional Transit defines customers as any person, entity, or constituent it interacts with to advance transit initiatives. It is critical to understand diverse customer perspectives and proactively anticipate their needs when making decisions that support PRT's mission.

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

NEXTransit

NEXTransit is the 25-year plan for Pittsburgh Regional Transit. It is designed to be a comprehensive, long-term plan to guide investments and decision-making for the agency to plan, design, build, operate, and manage a regional transportation network over the next 25 years (through 2045). NEXTransit provides a roadmap for the policies, programs, and projects that are needed to guide the agency into a future that is accessible, efficient, environmentally sustainable, and equitable. It details how PRT can achieve and maintain excellence in its system and service while operating as a premier transit system for Allegheny County that supports and integrates the region's complementary planning efforts. While updates will likely be made over the years, the guiding principles of NEXTransit will guide the region into the future.

What types of things does NEXTransit plan for?



Further, NEXTransit is a community-driven long-range plan for a transit-oriented Pittsburgh area that values equity, accessibility, economic and social mobility, safety, resiliency, and accountability. Throughout implementation of this plan, PRT will utilize The Strategic Plan as an organizational tool to balance and prioritize the integration of new services, while preserving a State of Good Repair on existing infrastructure. As previously mentioned, The Plan is community driven. Its development was a culmination of an 18-month public process that resulted in several themes based on public input. Each theme of public engagement throughout the project was designed to request and gather critical data and answer questions from stakeholders, elected officials, and the public to ensure a plan was developed that could be widely supported for implementation. It identifies values, programs, and policies that are important to the communities PRT serves. Below is a table that illustrates a high-level cost projection of these Policies and Programs.

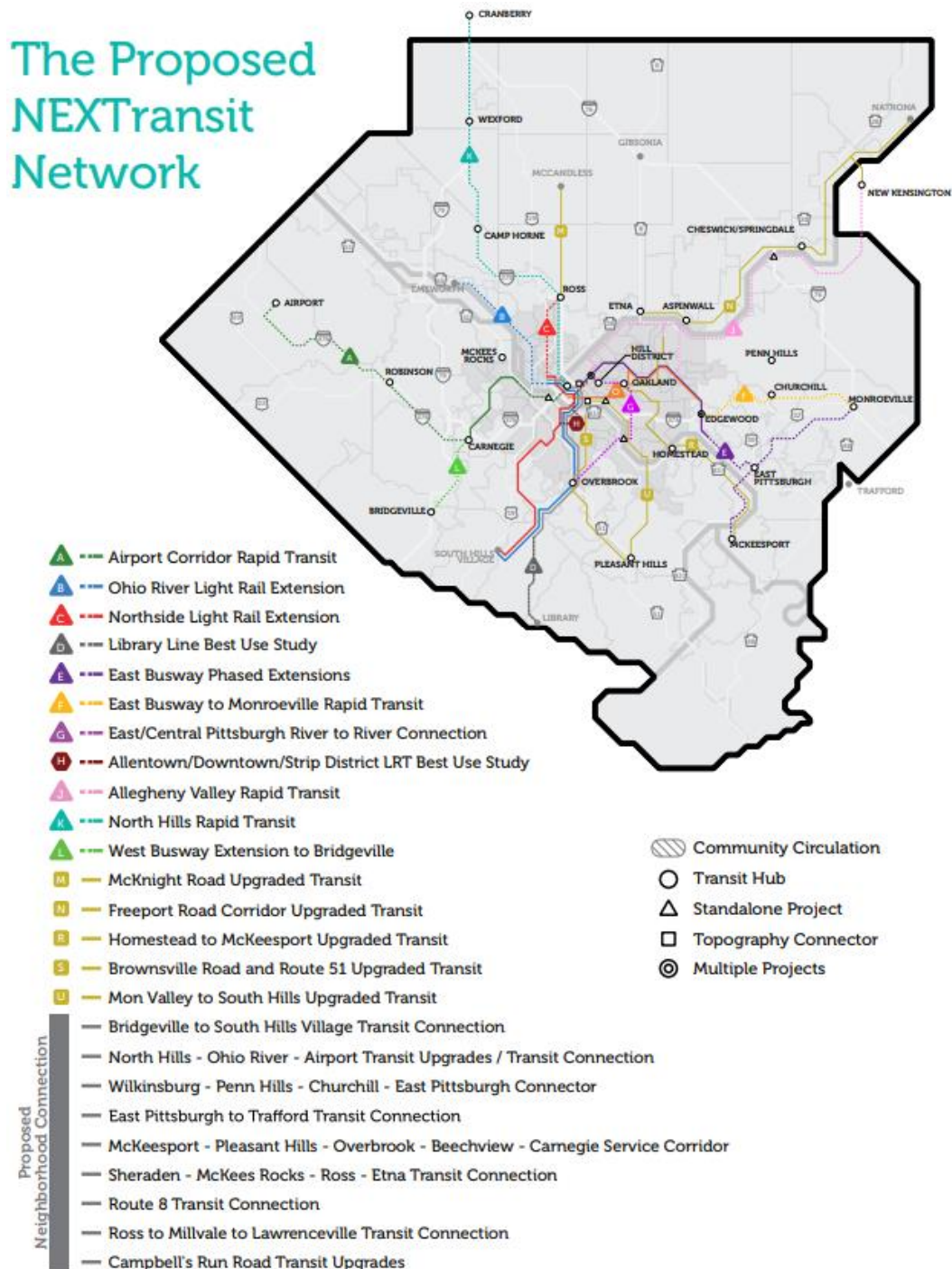
Policies and Programs	Proposed New Full-time Staff	Annual Operating Costs	One-time Capital Costs	Annual Capital Costs
Sidewalk Quality & Access	1	\$120,000	N/A	\$1,000,000
Affordable Fare Policy	-	\$0	\$50,000	\$1,000,000
ADA System Access Program	1	\$120,000	N/A	\$2,000,000
System-Wide Signage & Wayfinding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

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

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

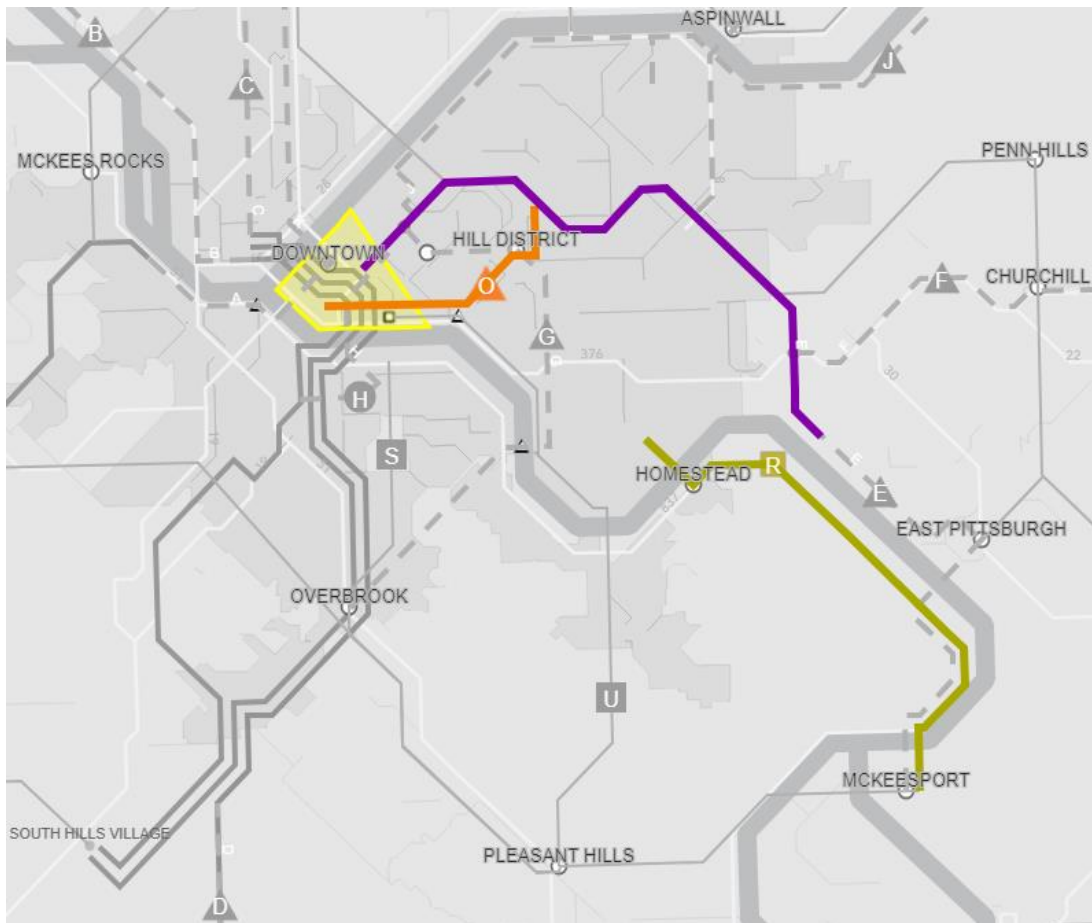
Map Code	Project Name	Top 10 Project?	Low Capital Cost Estimate	High Capital Cost Estimate	Estimated Local Capital Contribution *
	Facilities Master Plan and Expansion of Bus Facilities	Y	\$177M	\$234M	\$41M
	Downtown Transit Center	Y	\$60M	\$118M	\$18M
A	Airport Corridor Rapid Transit	Y	\$274M	\$325M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

These estimates are built around knowledge of similar projects that have been constructed around North America in recent years and should be seen as a guideline for investment. The plan provides Pittsburgh Regional Transit a framework for advancing future projects, policies and programs. It aids the agency in providing a vision into the future and looking beyond the day-to-day considerations of budgetary constraints.



Current NEXTransit Projects:

	Downtown-Uptown-Oakland-East End BRT
	BOTEB (Building on the East Busway)
	NEXTransit Downtown - Bus Routing Plan
	Homestead to McKeesport Upgraded Transit

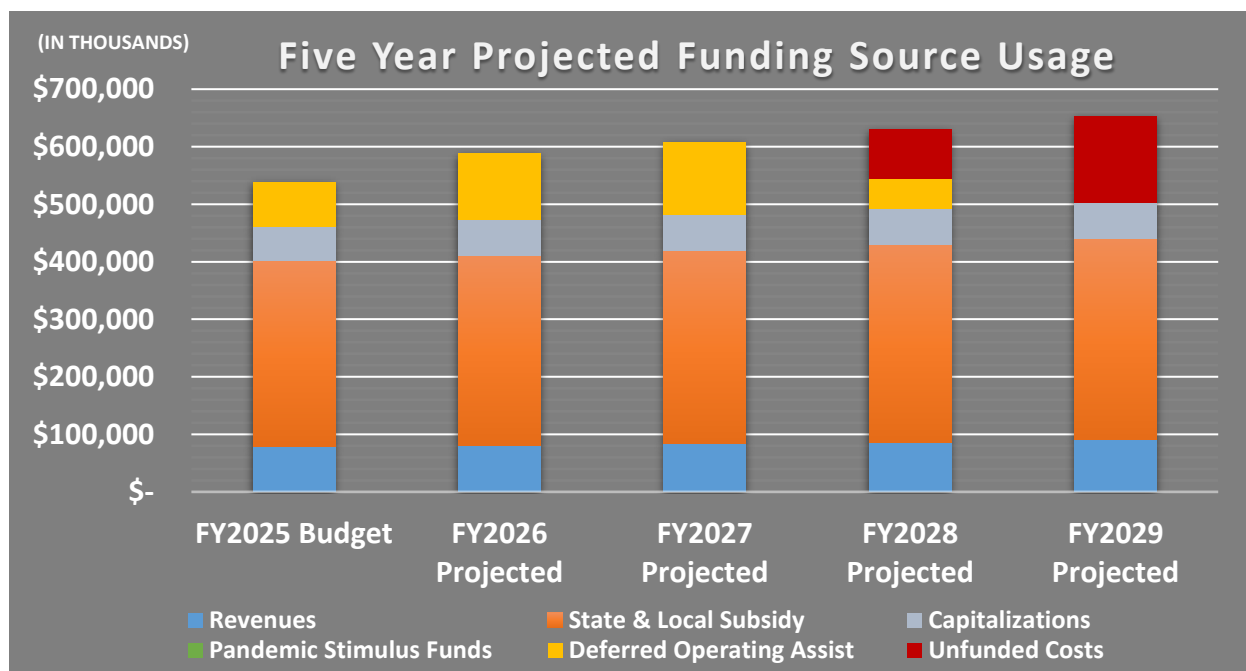


For a more in-depth review of the NEXTransit 25-year Plan and current projects, please visit <https://nextransit.network/>.

Long Range Financial Plan

Funding Categories Amount in Thousands ('000)	FY2025 Budget	FY2026 Projected	FY2027 Projected	FY2028 Projected	FY2029 Projected
Revenues	\$78,500	\$81,334	\$83,968	\$86,690	\$90,876
State & Local Subsidy	\$322,440	\$328,889	\$335,467	\$342,176	\$349,020
Capitalizations	\$60,126	\$61,692	\$62,104	\$62,523	\$62,951
Pandemic Stimulus Funds	\$0	\$0	\$0	\$0	\$0
Deferred Operating Assist	\$78,200	\$116,312	\$126,458	\$53,732	\$0
Unfunded Costs	\$0	\$0	\$0	\$85,383	\$150,021
Total	\$539,267	\$588,227	\$607,996	\$630,504	\$652,868

Chart 1



Expense Categories Amount in Thousands ('000)	FY2025 Budget	FY2026 Projected	FY2027 Projected	FY2028 Projected	FY2029 Projected
Wages and Salaries	\$209,896	\$218,292	\$227,023	\$236,104	\$245,549
Pension & Employee Benefits	\$170,159	\$203,505	\$206,682	\$213,874	\$220,295
Materials and Supplies	\$61,445	\$66,048	\$71,207	\$74,650	\$78,264
Provision for Injuries and Damages	\$8,135	\$8,451	\$8,782	\$9,129	\$9,493
Purchased Services	\$26,921	\$27,459	\$28,008	\$28,568	\$29,140
Utilities	\$10,267	\$10,615	\$10,977	\$11,354	\$11,745
Other Expenses	\$16,281	\$16,661	\$17,052	\$17,452	\$17,864
Leases & Rentals	\$2,203	\$2,247	\$2,292	\$2,338	\$2,385
Interest Expense	\$0	\$0	\$0	\$0	\$0
ACCESS Services	\$33,960	\$34,949	\$35,974	\$37,035	\$38,134
Total	\$539,267	\$588,227	\$607,996	\$630,504	\$652,868

As shown in chart 1 on the previous page, PRT has exhausted all pandemic stimulus funding and FY2025 will be the first year since the pandemic that the agency does not have that additional funding source to help offset rising expenses. As is the case with transit agencies across the country, PRT will face a “fiscal cliff” in the future if ridership doesn’t rebound to pre-pandemic levels or other sources of subsidy are identified to continue current service levels. While ridership has recovered to around 60% of pre-pandemic levels, operating costs have increased substantially since 2019, widening the gap further. With this in mind, there will be an emphasis placed on funding strategies to help ensure longevity and the success of Pittsburgh Regional Transit.

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

Operating Budget Process

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

See Operating Budget Development Timeline on Page 42.

Capital Budget Process

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

Meeting. Near the end of June, the new fiscal year Project Budgets data is uploaded into the PeopleSoft Database.

See Capital Budget Development Timeline on Page 43.

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

Fiscal Year 2025 Operating Budget Timeline

		January		February		March		April		May		June		July																																						
		12	17	22	27	1	6	11	16	21	26	3	8	13	18	23	28	2	7	12	17	22	27	1	6	11	16	21	26	1																						
Completed By:																																																				
Department Managers Department Directors Division AGMs		Budget Request forms provided by Financial Planning & Budgets department and completed by all Divisions.																																																		
Financial Planning & Budgets Personnel		Initial budget request are reviewed and compiled along with company-wide revenue projections.																																																		
Department Managers Department Directors Division AGMs							Financial Planning & Budgets personnel meet with each department and division to review and finalize budget submissions																																													
Financial Planning & Budgets Personnel												Completion of initial FY2025 Operating Budget. Additional department budget meetings if changes are deemed necessary.																																								
Financial Planning & Budgets Personnel Senior Staff																	Preliminary FY2025 Operating Budget presented to the Chief Executive Officer and Senior Staff. Preliminary Budget presented to the Board's Planning and Stakeholder Relations Committee and ACTC during this period.																																			
Financial Planning & Budgets Personnel Senior Staff																						Final FY2025 Budget presented to the Board of Directors. Approval of Final FY2025 Budget at the May Board Meeting.																														
Financial Planning & Budgets Personnel																																															Final FY2025 Budget data uploaded to the PeopleSoft Database.					

Fiscal Year 2025 Capital Budget Timeline

	January			February			March			April			May			June			July										
	12	17	22	27	1	6	11	16	21	26	3	8	13	18	23	28	2	7	12	17	22	27	1	6	11	16	21	26	1
Completed By:																													
Technical Support Personnel Department Directors Division AGMs	Facility On-Site visits performed by Technical Support personnel. FY2025 Capital budget request forms made available and completed by all department Directors and Division AGMs.																												
Grants & Capital Programs Personnel											Capital budget request are reviewed and compiled by department.																		
Technical Support Personnel																													
Grants & Capital Programs Personnel																													
Capital Planning Committee											Budget requests discussed and ranked by the Capital Planning Committee. Highest ranked requests are compiled along with company-wide capital revenue projections.																		
Grants & Capital Programs Personnel																	Compilation of initial FY2025 Capital Budget.												
Grants & Capital Programs Personnel																		Preliminary FY2025 Capital Budget presented to the Chief Executive Officer and Senior Staff. Preliminary Budget presented to the Board's Planning and Stakeholder Relations Committee and ACTC during this period.											
Senior Staff																								Final FY2025 Budget presented to the Board of Directors.					
Grants & Capital Programs Personnel																								Approval of Final FY2025 Budget at the May Board Meeting.					
Senior Staff																													
Grants & Capital Programs Personnel																													
																											Final FY2025 Budget data uploaded to the PeopleSoft Database.		

Summary of Assumptions

FY 2025

The COVID-19 Pandemic has had a tremendous financial impact on public transit nationwide and altered how the industry provides service. For many, with emergency funding exhausted, public transit agencies are facing significant shortfalls. Nationally, transit providers are coping with higher costs related to training, reduced ridership, and growing labor costs. PRT has experienced similar challenges to its fiscal resources. The long-term impacts to the agency's business model remain unclear, but to project expenses and revenues for FY 2025, it was necessary to make several key assumptions. These are briefly outlined below under the following categories: Fare and Service Levels, Ridership, Passenger Revenues, Expenses and Operating Grants.

Fare and Service Levels

- Pittsburgh Regional Transit implemented fare structure changes in FY 2022. The fare structure can be found under the Revenue Structure of the Financial Planning Policies section. PRT will continue to develop model scenarios showing the effects of fare changes against the subsequent change in ridership.
- Minor service adjustments with the aim to continue to improve the overall performance of the system due to changing utilization patterns from the COVID-19 pandemic and address issues with maintaining full staffing levels.
- Fare revenue assumes a full year of implementation of the low-income fare program in association with the Allegheny County Department of Human Services.

Ridership

- Ridership in FY 2024 had rebounded by approximately 60% from the pandemic lows of FY 2021. The FY 2025 budget forecasts a 7.3% ridership increase over FY 2024 levels as in-person economic activity continues to increase, and local universities continue on-site classes.

Passenger Revenues

- Passenger revenues are budgeted at levels consistent with FY 2024 actual revenues plus an 8% growth factor.

Expenses

- FY2025 budgeted operating expenses total \$539.27 million, an increase of 7.62%, or approximately \$38.17 million over the FY 2024 actuals. Most of the additional expenses are attributable to a \$15.6 million increase over FY 2024 actuals in Salaries and Wages, a \$9.4

million increase in Purchased Services, and \$8.4 million increase in Materials and Supplies. These three expense accounts make up a little more than 55% of total expenses.

Operating Subsidy

- Pittsburgh Regional Transit receives operating assistance from multiple sources which include federal, state, and county government. For FY 2025, these funds are budgeted at a total of \$460.77 million, which is a decrease of just over \$79.4 million compared to FY 2024 actuals. This reduction is due in large part to no longer having reoccurring stimulus funding available as the agency did in recent years. Thus, \$78.2 million in deferred revenue, will be used to assist in offsetting the reduction in passenger revenues.

FY 2025 Operating Budget Summary

FY 2025

Amounts in Thousands ('000)

FY 2025 Operating Budget

Revenues:

Passenger Revenue	\$	50,003
ACCESS (Shared Ride) Service		10,330
Contract Services		11,991
Advertising		1,800
Interest Income		3,747
Other Income		629

Total Operating Revenues

\$ 78,500

Expenses:

Wages and Salaries	\$	209,896
Pensions and Employee Benefits		170,159
Materials and Supplies		61,445
Provision for Injuries and Damages		8,135
Purchased Services		26,921
Utilities		10,267
Other Expense		16,281
Leases and Rentals		2,203
ACCESS (Shared Ride) Service		33,960

Total Gross Operating Expenses

\$ 539,267

Deficit Before Subsidy

\$ (460,767)

Subsidy Source

Federal	36,955
State	302,093
Local	40,277
Regional Asset District	3,000
Other	241
Stimulus Funding	0
Deferred State Operating Assistance	78,200

Total Subsidy

\$ 460,767

Operating Surplus/(Deficit)

\$ -

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

Financial Planning Policies

Fiscal Year

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

Balanced Budget

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

Reserve Funds

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

Basis of Accounting

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

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

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

Basis of Budgeting

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

Fund Balances

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

Revenue Policies

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

Fare Structure

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

ridership. Act 89 legislation requires Pittsburgh Regional Transit to adopt a fare policy that allows for the periodic review of fares. This policy was adopted by the agency in FY 2016 and most recently enacted through the adoption of the FY 2022 Fare Structure Changes.

FY 2022 Fare Structure:

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

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

Diversification of Revenues

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

Budget Control and Monitoring

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

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

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

Expenditures

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

Debt Policy

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

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

Policy Statement

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

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

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

Constraints, Ratios and Measures

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

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

and favorably recommend the possible refunding of an issue, PRT will generally look to attain at least a minimum acceptable threshold level of net Present Value (PV) savings over the life of the respective issue.

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

Four Year Comparison: Fiscal Years 2022 - 2025

FY 2025

Amounts in Thousands ('000)	FY 2022 Audited	FY 2023 Audited	FY 2024 Unaudited	FY 2025 Budget	FY 2025 vs. FY 2024
Revenues:					
Passenger Revenue	\$39,034	\$42,838	\$46,142	\$50,003	\$3,861
ACCESS (Shared Ride) Service	7,721	8,660	9,265	10,330	1,064
Contract Services	7,873	10,409	11,195	11,991	796
Advertising	2,318	2,230	1,635	1,800	165
Interest Income	75	3,346	6,200	3,747	-2,453
Other Income	626	647	657	629	-29
Total Operating Revenues	\$57,647	\$68,130	\$75,095	\$78,500	\$3,405
Expenses:					
Wages and Salaries	\$184,058	\$189,905	\$194,248	\$209,896	\$15,648
Pensions and Employee Benefits	163,350	168,326	178,143	170,159	-7,984
Materials and Supplies	41,309	50,382	53,061	61,445	8,384
Provision for Injuries and Damages	3,731	4,861	6,256	8,135	1,879
Purchased Services	14,235	16,699	17,560	26,921	9,361
Utilities	6,982	7,772	8,054	10,267	2,213
Other Expense	5,807	9,270	10,165	16,281	6,116
Leases and Rentals	1,972	1,899	2,032	2,203	171
Interest Expense	0	0	0	0	0
ACCESS (Shared Ride) Service	27,807	30,227	31,574	33,960	2,386
Total Gross Operating Expenses	\$449,251	\$479,342	\$501,092	\$539,267	\$38,174
Deficit Before Subsidy	(\$391,604)	(\$411,212)	(\$425,998)	(\$460,767)	(\$34,769)
Subsidy Source					
Federal	\$34,642	\$29,478	\$46,113	\$36,955	(\$9,158)
State	263,484	285,989	307,204	302,093	-5111
Local	35,100	37,995	47,350	40,277	-7074
Regional Asset District	2,918	3,000	3,000	3,000	0
Other	507	244	248	241	-7
Deferred Revenue	0	0	0	78200	78200
Stimulus Funding	58,643	191,909	136,329	0	(136,329)
Total Subsidy	\$395,292	\$548,615	\$540,244	\$460,767	(\$79,477)
Operating Surplus/(Deficit)	\$3,689	\$137,404	\$114,246	(\$0)	\$114,246

Fiscal Year 2025 Operating Budget

FY 2025

Operating Revenues

FY 2025, revenues for operations are approximately \$539.27 million and include passenger revenues, federal, state, local operating assistance, capitalization grants, and deferred revenue usage. Passenger revenues to support operations are expected to represent 11.50% of the Agency's operating revenue. Passenger Revenue includes the sale of fare products, cash fare payments, and contracted services through the U-Pass program which currently involves student and faculty at the University of Pittsburgh, Carnegie Mellon University, Chatham University, Duquesne University, Carlow University, and Point Park University.

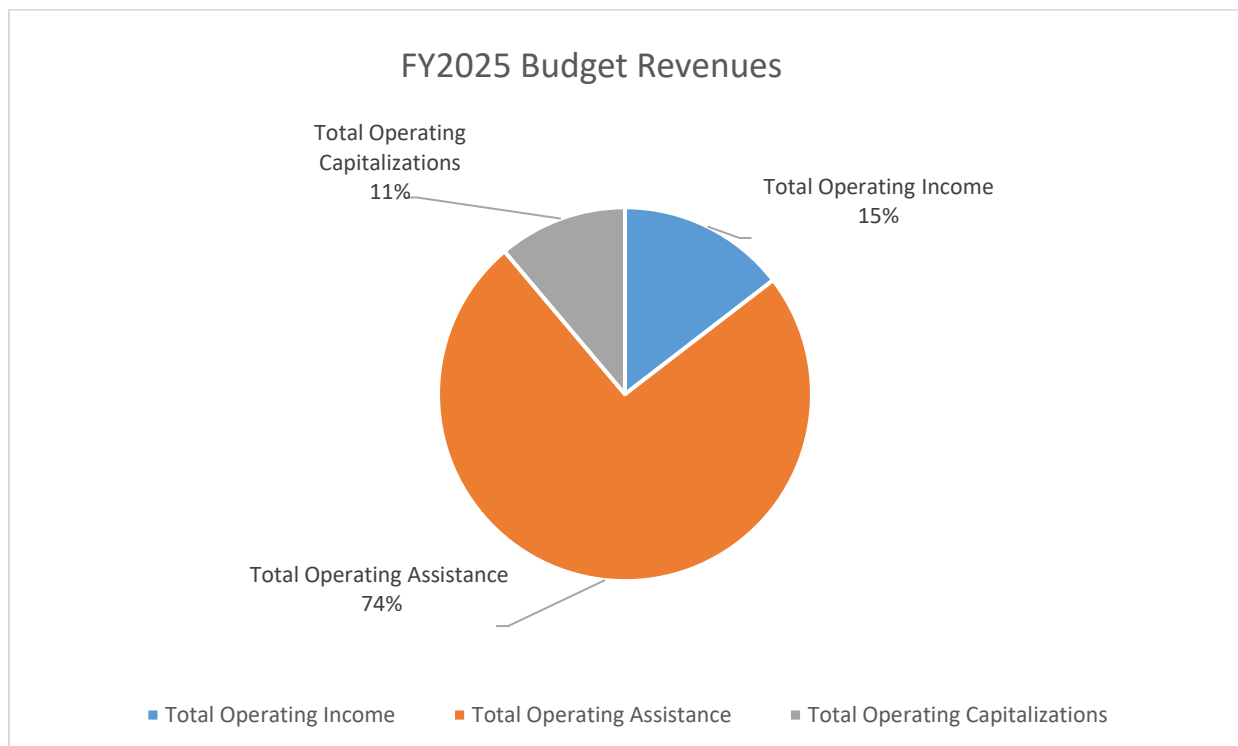
Total Revenue for Operations

Amount in Thousands ('000)	FY 2022 Audited	FY 2023 Audited	FY 2024 Unaudited	FY 2025 Budget	% change FY2025 vs. FY2024
Passenger Revenue					
Farebox Revenue	\$39,034	\$42,838	\$46,142	\$50,003	8.4%
Access Program Service	7,721	8,660	9,265	10,330	11.5%
Contract Services	7,873	10,409	11,195	11,991	7.1%
Advertising	2,318	2,230	1,635	1,800	10.1%
Interest Income	75	3,346	6,200	3,747	-39.6%
Other Income	626	647	657	629	-4.4%
Total Operating Income	\$57,647	\$68,130	\$75,095	\$78,500	4.53%
Operating Assistance					
State Operating Assistance	\$250,756	\$271,473	\$289,648	\$280,383	-3.20%
County Operating Assistance	34,799	37,527	39,057	39,057	0.00%
Regional Asset District	2,918	3,000	3,000	3,000	0.00%
Deferred State Operating	-	-	-	78,200	-
Total Operating Assistance	\$288,472	\$312,000	\$331,705	\$400,641	20.78%
Operating Capitalizations					
Federal Grants	\$34,584	\$29,502	\$46,113	\$36,955	-19.86%
State Grants	12,728	14,516	17,557	21,711	23.66%
County Grants	301	469	8,293	1,219	-85.30%
Other	565	219	248	241	-2.67%
Stimulus Grants	\$58,643	\$191,909	\$136,329	\$0	-100.00%
Total Operating Capitalizations	\$106,820	\$236,615	\$208,539	\$60,126	-71.2%
Total Revenue	\$452,940	\$616,746	\$615,338	\$539,267	-12.36%

Overall, FY 2025 total operating revenue is projected to decrease by approximately \$76 million, or -12.36%, compared to FY 2024 actuals. This is primarily due to having exhausted all stimulus funding and no longer having it as a source of revenue as was the case in recent years. The Agency will need to utilize \$78.5 million in deferred revenue to offset expenses and maintain a balanced budget.

Operating Assistance from state and local sources provide roughly 74.3% of budgeted revenue as shown in chart 2 below. State Operating Assistance for FY 2025 is \$280.3 million. As was the case under Act 44, State Operating funding requires a 15% local match. Allegheny County will contribute \$39 million with the remaining \$3 million matched by the Allegheny Regional Asset District (RAD). RAD is a special purpose County-wide district that administers grants to “regional assets,” such as museums, parks, and transportation. Grants are made possible by a portion of the proceeds of a 1% County Sales and Use Tax.

Chart 2

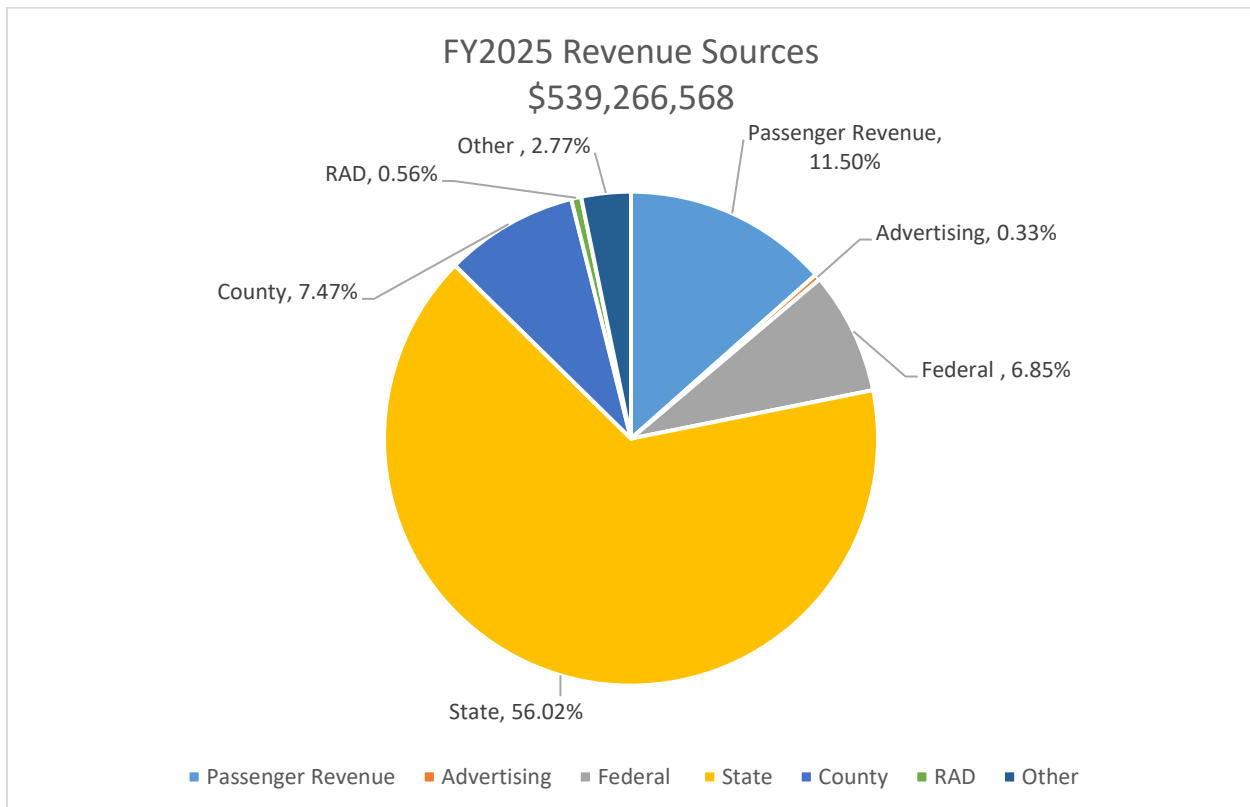


Federal, State, and County Operating Capitalizations supplement operating expenses and represent 11% of FY 2025 revenue. Capitalizations underwrite expenses in the Agency’s operating budget that are, by definition, eligible expenses under State and Federal capital assistance grants. Examples include eligible preventive maintenance activities to sustain federally funded capital assets, “State of Good Repair” projects of Pittsburgh Regional Transit, and State Capital Bond funds used to support the Vehicle Overhaul Program (VOH), which extend the useful

life of its fleet. Also included in this category are expenses associated with the Agency’s staff who work on engineering design and management of the PRT capital projects. In FY 2022, Coronavirus related stimulus grants came from the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) and made up roughly 13% of total revenue. In FY 2023, the funding came from both CARES ACT and ARPA (American Rescue Plan Act) due to time limitations for usage of ARPA. These funding sources combined to make up 31% of total revenue in FY 2023. FY 2024 funding utilized ARPA and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), which amounted to about 22%, or \$136.3 million, of total revenue for FY 2024 and exhausted the remaining stimulus funding PRT had available. Chart 3 below provides a visual representation of the various revenue sources for the Agency while Chart 4 provides the dollar amount by category.

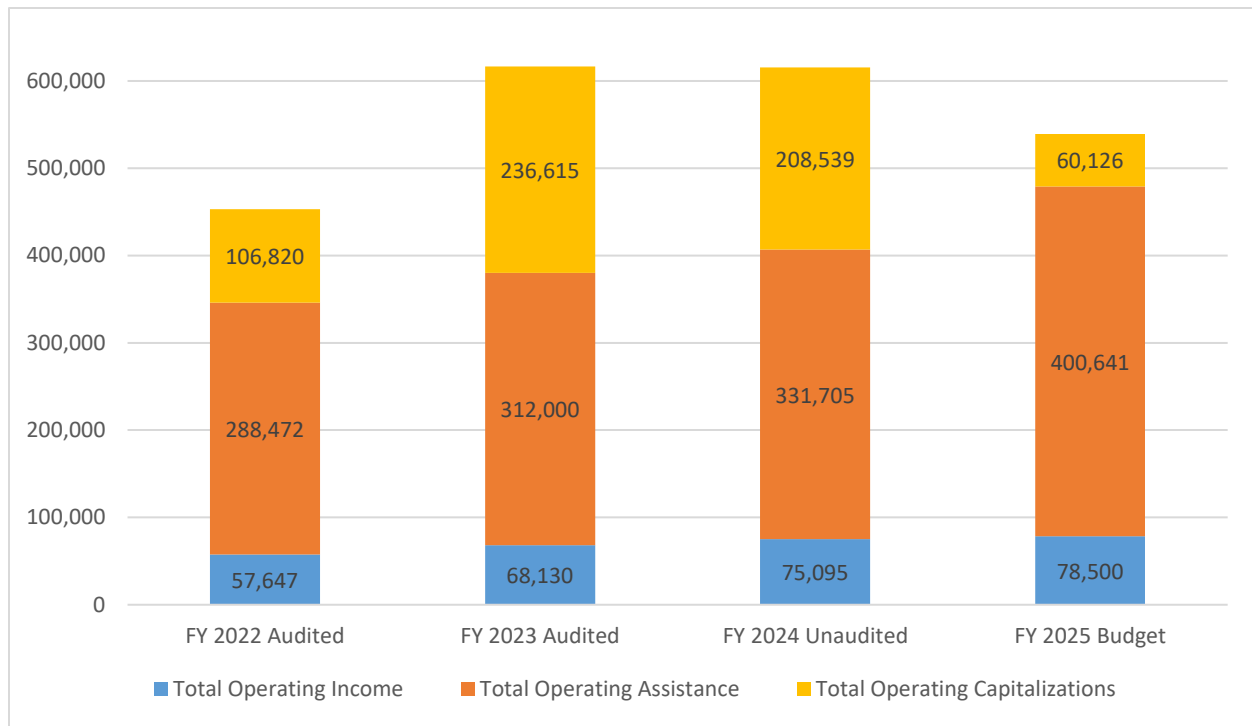
Total Revenue Sources

Chart 3



Total Revenues – FY 2022 to FY 2025

Chart 4



Operating Expenses

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

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

Fringe benefits are payments to the employee for things other than performance of work, which includes sick leave, vacation, and holiday wages. Also included in this category are payments to other companies or entities (insurance companies, retirement plans, governments etc.) on behalf of the employees. Materials and supplies are products purchased and obtained from outside suppliers for immediate use. Provisions for injuries and damages are the costs associated with the protection of the agency from loss through insurance programs and compensation of others for the losses due to incidents for which the transit agency is liable. Purchased services are the labor and other work provided by outside organizations for fees and related expenses as a

substitute for in-house employee labor. This substitution is typically made because the skills offered by the outside organizations are needed only for a short period of time or are more specialized than that of what is available internally. Utilities are payments made to companies for the use of their resources and Other Expenses are those that cannot be attributed to any of the other major categories previously defined.

FY 2025 budgeted labor costs (salaries, wages, and benefits) represent 70.5% of operating expenses. Salary and Wage expenses are budgeted at a total of \$209.89 million and increased due to contractual wage increases, wage progressions and increased staffing to better support agency operations. FY 2025 will recognize a one-year reduction in the actuarial determined pension expense and return to normal levels in the following year. Benefit expenses include healthcare for active employees and retirees, pension obligations, unemployment compensation, as well as vacation, sick, holiday pay and payroll taxes, which are projected to total \$170.16 million for FY 2025.

Operating Expenses by Account

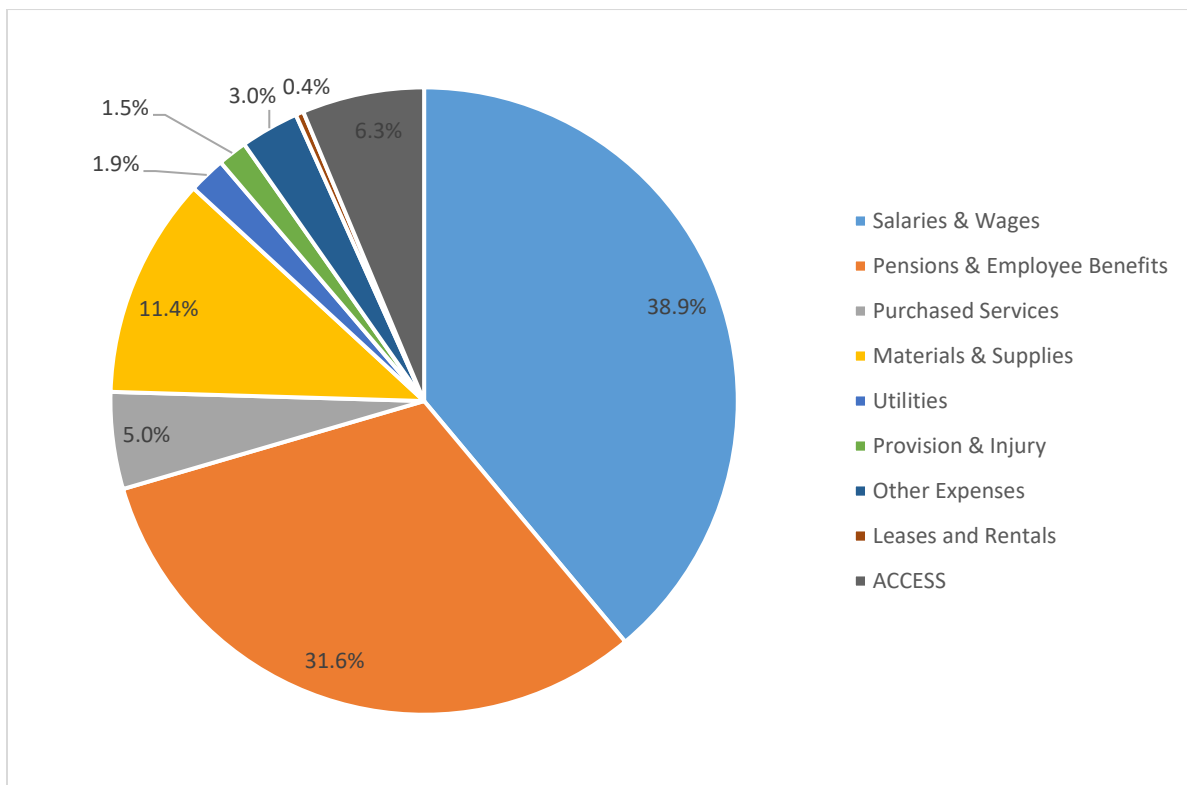
Expense Accounts \$000	FY 2022 Audited	FY 2023 Audited	FY 2024 Actuals	FY 2025 Budget	% change FY25 vs. FY24
Salaries & Wages	\$184,058	\$189,905	\$194,248	\$209,896	8.06%
Pensions & Employee Benefits	163,350	168,326	178,143	170,159	-4.48%
Purchased Services	14,235	16,699	17,560	26,921	53.31%
Materials & Supplies	41,309	50,382	53,061	61,445	15.80%
Utilities	6,982	7,772	8,054	10,267	27.48%
Provision & Injury	3,731	4,861	6,256	8,135	30.04%
Other Expenses	5,807	9,270	10,165	16,281	60.16%
Leases and Rentals	1,972	1,899	2,032	2,203	8.41%
ACCESS	27,807	30,227	31,574	33,960	7.56%
Total Gross	\$449,251	\$479,342	\$501,092	\$539,267	7.62%

Material and Supplies expenditures are expected to increase by about \$8.38 million over FY 2024 actuals due to enhanced services, additional part requirements for our light rail vehicles, electric bus replacement components, and rehabilitation of the LRT System infrastructure. In addition, inflation is a large contributor and resulted in an increase to all departments baseline expenses. Fuel and Lubricants are budgeted to increase 8% over FY 2024 actuals due to the economic environment and resulting market volatility. Purchased services include work done by outside contractors, equipment purchases, marketing and communications, and general engineering expenses related to capital infrastructure expenditures. It is expected to increase by 53.31%, or

\$9.36 million over the prior year actuals in part due to not reaching the expense levels anticipated. The increase is also due to the continued development of our mobile payment application, increased monthly service costs, and additional work provided by outside contractors. Utilities include data communication, electricity, propulsion power, natural gas, water & sewage for Pittsburgh Regional Transit locations. Utility usage and costs at our facilities is projected to increase by 27.48% over FY 2024 due to increased costs associated with providing Wi-Fi on all revenue vehicles, the increase in transmission for our propulsion power, stormwater fees that the agency is responsible for, as well as the electric costs associated with our electric bus fleet. The Other expense line items include insurance, rental equipment and buildings, banking services, employee development and software support. These expense items are expected to increase by approximately \$6 million over FY 2024. This increase is due to employee development programs, new marketing and customer outreach initiatives, technology training, and the continued increase in Software License expense. The ACCESS expense is projected to increase by 7.56%. The increase is a direct result of projecting usage to increase as well as general operating cost increases for FY 2025.

FY 2025 Operating Expenses by Source (%)

Chart 5



Operating Expenses – FY 2022 to FY 2025

Chart 6

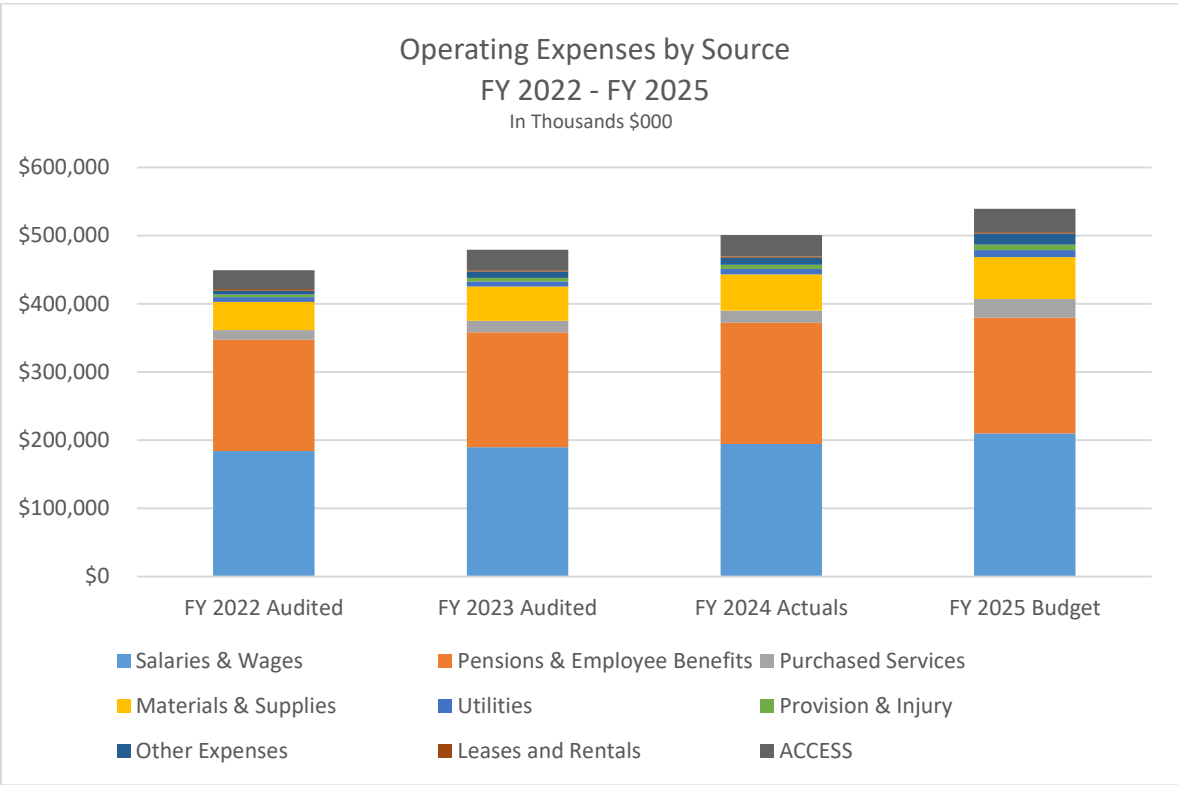
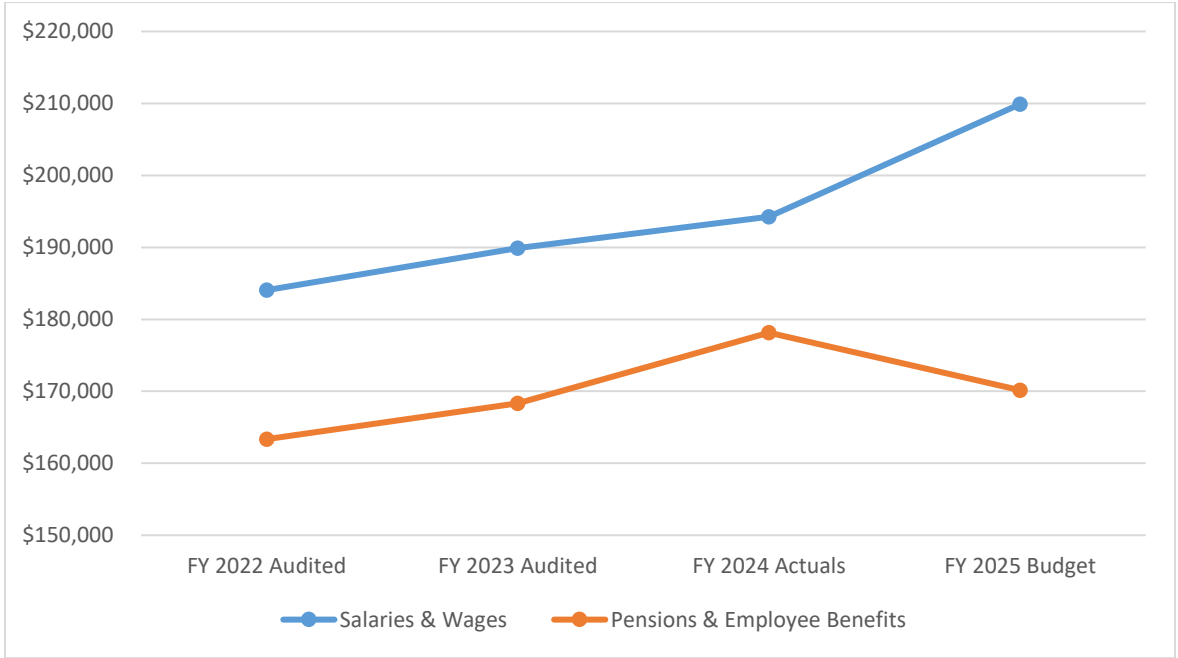
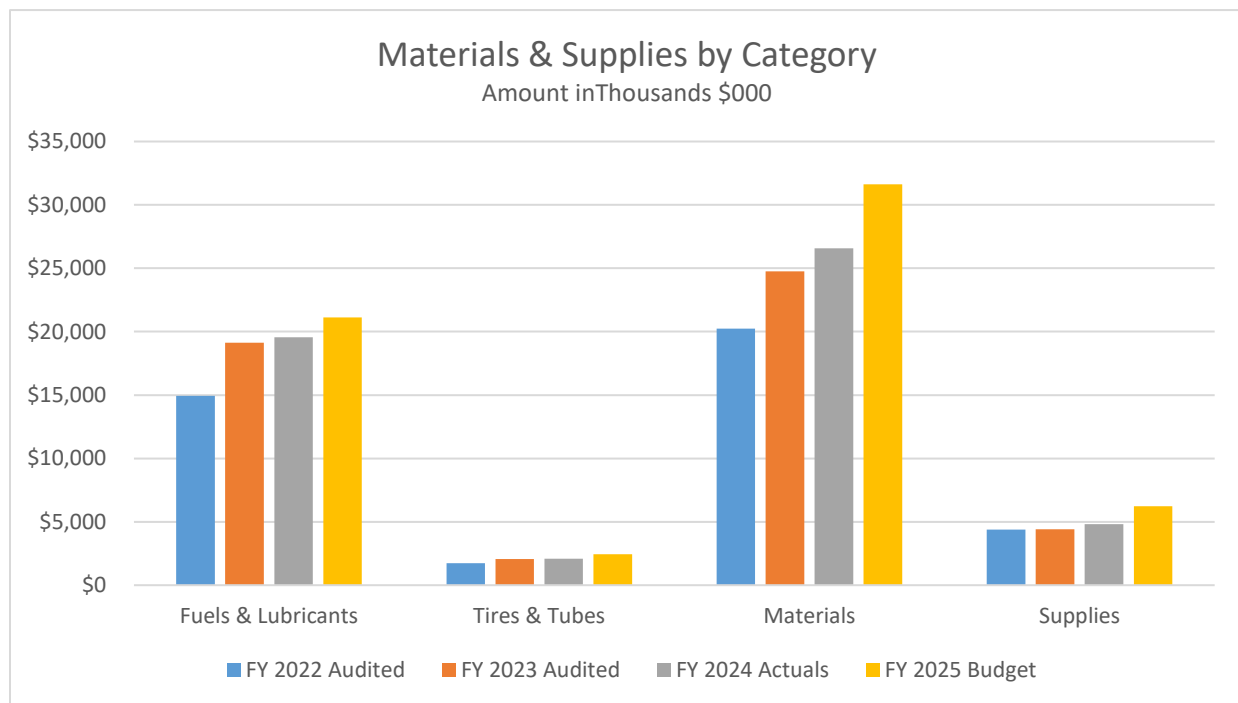


Chart 7



Expense Accounts \$000	FY 2022 Audited	FY 2023 Audited	FY 2024 Actuals	FY 2025 Budget	% change FY25 vs. FY24
Fuels & Lubricants	\$14,945	\$19,141	\$19,551	\$21,133	8.09%
Tires & Tubes	1,724	2,063	2,082	2,455	17.92%
Materials	20,244	24,766	26,572	31,625	19.02%
Supplies	4,396	4,412	4,811	6,233	29.54%
Total Gross	\$41,309	\$50,382	\$53,016	\$61,445	15.90%

Chart 8



Fiscal Year 2025 Capital Budget

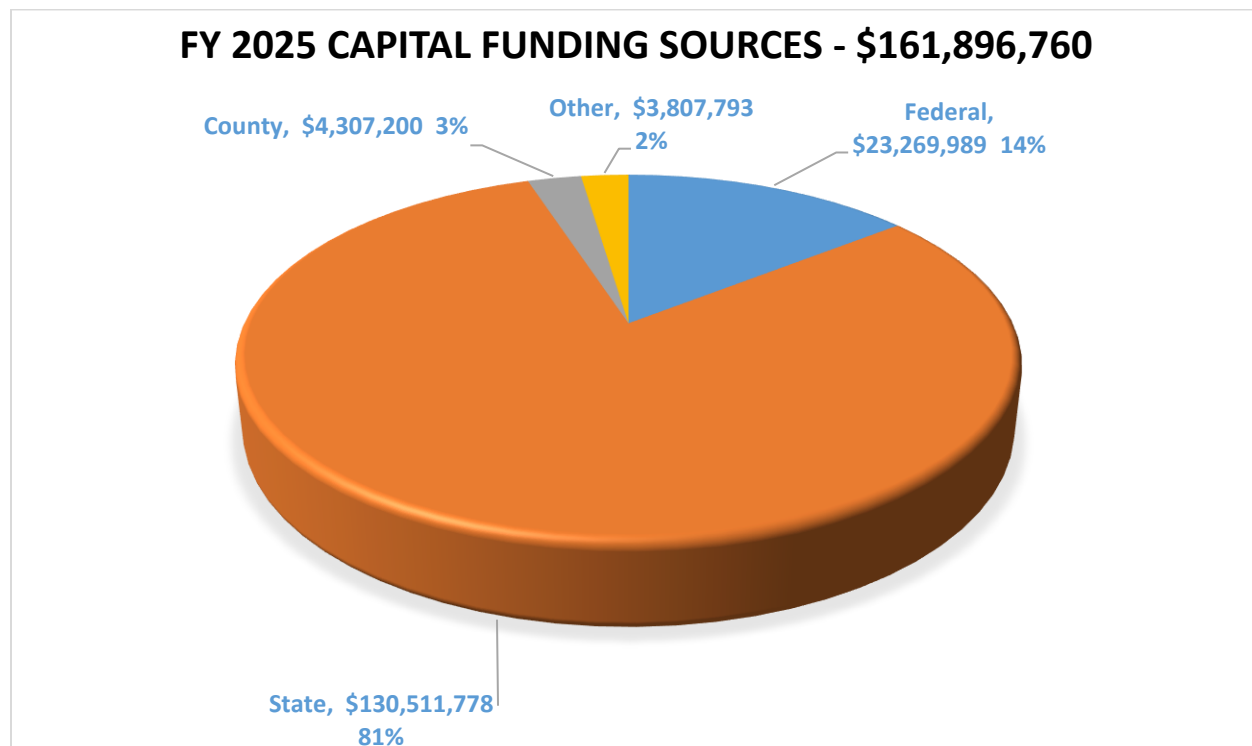
Fiscal Year 2025 Capital Budget

FY 2025

FY 2025 Capital Budget by Anticipated Funding Source

FY 2025 Capital Improvement Program Anticipated Funding Sources		5/24/2024 Amount
<i>I. Federal</i>		
FFY 2024 Section 5307, 5337 SOGR		\$ 23,269,989
	Subtotal	\$ 23,269,989
<i>II. State</i>		
FY 2025 Net State Section 1514 Discretionary		\$ 128,644,021
Previously Appropriated Section 1514 Discretionary		\$ 1,867,757
	Subtotal	\$ 130,511,778
<i>III. County/Other Capital Funds</i>		
2025 County Capital Net - State of Good Repair		\$ 4,307,200
Previously Appropriated County State of Good Repair		\$ 62,243
LRV Fire Insurance Proceeds		\$ 3,807,793
	Subtotal	\$ 8,177,236
Total Funding Sources		\$ 161,959,003

Chart 9



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

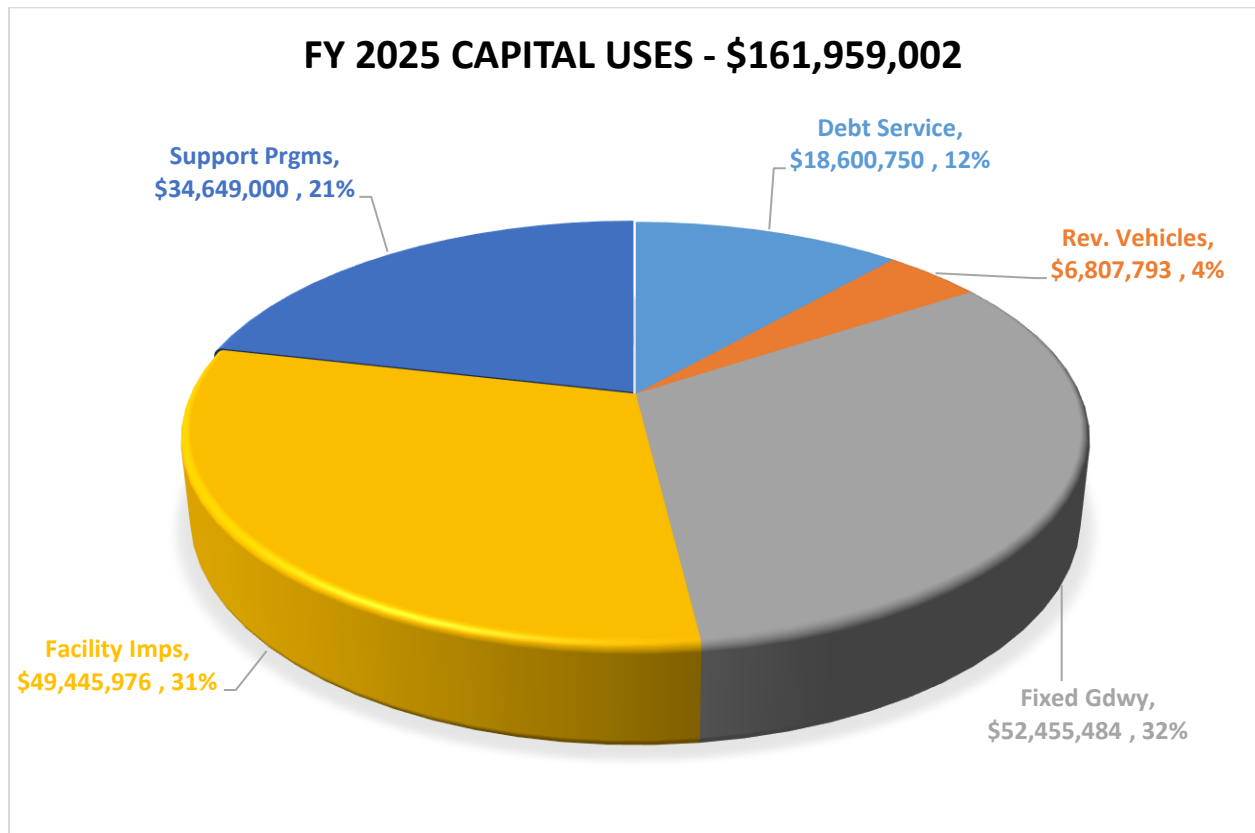
Act 89 expired on June 30, 2022. As a result, PRT's capital funding shifted to the Commonwealth's Motor Vehicle Fund. PRT's capital funding decreased by 17% as compared to our FY 2024 funding. PRT's FY 2025 Capital Improvement Budget (CIP) will continue to be focused on currently held infrastructure assets and state of good repair. The CIP will continue to build upon prior year Act 89 investments and continue capital programs to repair and/or replace assets that have long exceeded their useful life. PRT's FY 2025 CIP totaling \$161.9 million, includes \$130.5 million in state funds, \$23.2 million in federal funds, \$4.3 million local funds, and \$3.8 million in other funds.

With the anticipated FY 2025 funds, PRT has allocated projects that will bring assets to a state of good repair, enhance system safety, and various improvements to transit service. FY 2025 capital improvement programs are focused on the following categories:

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

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

Chart 10



Capital Programs by Designation

Debt Service \$18,600,750

- \$18,600,750 - 2020 Series Bond Debt Service

Revenue Vehicle Replacement \$6,807,793

- \$3,000,000 - Bus Seat Replacement Program
- \$3,807,793 - Light Rail Vehicles Replacement Program

Fixed Guideway Improvements \$52,455,484

- \$5,475,000 - Rail Improvements
- \$17,000,000 - Tunnel Improvements
- \$29,980,484 - Bridge Improvements

Facility Improvements \$49,445,976

- \$35,824,864 - Bus Facility Improvements
- \$4,750,000 - Rail Facility Improvements
- \$8,871,112 - Park and Ride Facility Improvements

Support Programs \$34,649,000

- \$3,289,000 - Support Vehicles and Shop Equipment
- \$25,960,000 - IT Hardware/Software & ITS Support Programs
- \$5,400,000 - Transit Enhancement Support Programs

Debt Service

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

Annual Debt Service Payments

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2025	\$14,575,000	\$4,025,750	\$18,600,750
2026	\$15,300,000	\$3,297,000	\$18,597,000
2027	\$16,065,000	\$2,532,000	\$18,597,000
2028	\$16,870,000	\$1,728,750	\$18,598,750
2029	\$17,705,000	\$885,250	\$18,590,250
Total	\$80,515,000	\$12,468,750	\$92,983,750

Revenue Vehicle Replacements

- Bus Seat Replacement/LRV Replacement Design - \$6,807,793
 - PRT plans to replace old cloth bus seats with new plastic seats and continue the LRV replacement project specs in FY 2025.

Fixed Guideway Improvements

- Bridge/Tunnel/Rail Inspection NBIS / NTIS - \$1,250,000
 - Annual increment of the Bridge Inspection Program which provides periodic inspections of bridges on a bi-annual basis. Periodic NBIS inspections assess structural conditions on a regular basis, which allows for prediction of rehabilitation and replacement needs to maintain structures in a state of good repair. Ultrasonic rail inspections are also performed under this project.
- Panhandle Bridge Rehab - \$16,087,486
 - The Panhandle Bridge was originally constructed by the Pennsylvania Railroad (PRR) in 1903. In 1980, Port Authority purchased the bridge from a PRR successor, Conrail. Subsequently, the Port Authority renovated and reconfigured the bridge as part of its

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

- LRT Bridge Preventative Maintenance - \$2,800,000
 - This project continues the annual increment of preventative maintenance repairs of seven Authority owned bridges along the Light Rail Track System to maintain the bridge inventory in a state of good repair. This project consists of performing design and construction related activities to proactively identify and repair known problem areas that can typically cause significant future damage and deterioration.
- South Busway Bridge Preventative Maintenance - \$3,000,000
 - This project continues the annual increment of preventative maintenance repairs of seven Authority owned bridges along the South Busway to maintain the bridge inventory in a state of good repair. This project consists of performing design and construction related activities to proactively identify and repair known problem areas that can typically cause significant future damage and deterioration.
- West Busway Bridge Preventative Maintenance - \$3,000,000
 - This project continues the annual increment of preventative maintenance repairs of seven Authority owned bridges along the West Busway to maintain the bridge inventory in a state of good repair. This project consists of performing design and construction related activities to proactively identify and repair known problem areas that can typically cause significant future damage and deterioration.
- Penn Avenue Bridge Replacement - \$3,842,998
 - This project consists of the replacement for the 78-ft (4-span) Penn Ave (Wilkinsburg) Bridge which carries the East Busway over Penn Ave. The bridge was originally constructed in 1904 and has been retrofitted and rehabilitated several times. The bridge is currently rated in fair condition and continues to deteriorate and has exceeded its useful service life with an anticipated remaining service life of less than 12 years.

- Mt Washington Tunnel Rail Replacement - \$17,000,000
 - This project is for the replacement of all embedded rail and concrete roadway inside the Mt Washington Tunnel and up to the Station Square Platform including relocation of existing Duquesne Light duct banks located beneath the existing embedded track. Regular inspections and unplanned closures to repair rail breaks have revealed head worn rail approaching the limits dictated by the Track Inspection Standard and surface defects that could lead to internal rail defects or additional rail breaks. Failure to replace the rail could result in future unplanned closures and disruptions of service to repair broken sections of rail. Additionally, relocating the duct bank will improve system redundancy and decrease the risk of a complete electrical system failure.

- Rail Wear & Geometry Inspection - \$400,000
 - This request consists of the annual inspection and assessment of the Authority system track-work as required by the Authority Maintenance and Inspection Standards. The inspection and assessment are comprised of measuring track geometry and rail wear to identify area of track that exceed allowable thresholds specified in the Authority Standards and to program and prioritize track replacement to maintain a state of good repair of the track system.

- Route 88 Grade Crossing Improvements - \$1,000,000
 - As a result of a previous recommendation from PennDOT's State Safety Oversight consultant, an ongoing effort is being made to bring all grade crossings in Port Authority's Light Rail System into compliance with the updated Federal Highway Administration guideline (MUTCD). This project is for funds to upgrade Route 88 Crossing with a gated system with LED lights, Pedestrian audible devices to reduce vehicle accident with Light Rail Vehicles at this grade crossing.

- System Rail & Special Track Work - \$2,500,000
 - This project will continue the effort of purchasing replacement components to keep the light rail system trackwork in a state of good repair. Portions of the light rail system and its components are original equipment in excess of 30 years old. Normal wear and tear and diminished functionality of components have required additional maintenance to keep the parts within their governing standards. In addition, defective parts and parts deteriorated beyond the limits of their respective standards will cause speed restrictions and closures if not properly maintained. The following material will be required to continue to bring the system to a state of good repair: Switch Frags, Direct Fixation Switch Plates, 115 Lb. Rail, and Grade Crossing Panels.

- East Busway & LRT Retaining Walls Repairs – Design - \$1,000,000
 - This request consists of the rehabilitation of Ten (10) steel pile and concrete lagging retaining walls along the Martin Luther King East Busway (EBWY) and Light Rail Transit (LRT) system that exhibit significant paint coating deterioration, delamination, and localized steel section loss as well as localized deterioration in several concrete lagging sections. The project consists of the removal of deteriorated paint coating, surface preparation and painting of the exposed surfaces of steel piles. Also, concrete repair of lagging panel sections, as needed. If restoration is not performed, the steel pile paint coating and exposed steel will continue to deteriorate, undermining the structural integrity of the walls resulting in the increased future repair costs, and potential disruptions to EBWY & LRT system operations.
- Automatic Trip Stop Equipment Replacement - \$575,000
 - This project consists of the design and installation of PRT's new Automatic Trip Stop signal and speed enforcement RFID tags along the Library Line of the system.

Facility Improvements

- Castle Shannon Park and Ride Pavement Repairs - \$3,371,112
 - Project consists of design and construction of repair and replacement of concrete curb and sidewalk along with full depth asphalt patching, leveling, and seal coating and line striping of the asphalt parking area of the Castle Shannon Park and Ride.
- Ross Park and Ride Lot Expansion - \$5,000,000
 - Project includes design and construction of a new parking deck and operations area at the Ross Park and Ride Facility in order to increase transit parking capacity and improve operational functionality.
- Carnegie Park and Ride Lot Expansion - \$500,000
 - Project includes design and construction of a new parking lot and operations area and improve the station area at the Carnegie Park and Ride Facility at the end of the West Busway in order to improve operational functionality and ridership.

- East Busway Phase Extensions - Corridor E - \$850,000
 - This project will study TOD and multimodal improvements in the communities of Swissvale, Rankin, Braddock, and East Pittsburgh, which will be served by expanded bus rapid transit (BRT).
- West Mifflin Improvements - \$11,000,000
 - This project consists of the replacement of the existing two bay wash rack with a new system and the upgrade of the vehicle service lanes with replacement vehicle fluid reels, and a new vacuum system. The existing equipment at the West Mifflin Division is original to the facility and has reached its service life. This will also include the rehabilitation of the Vehicle HVAC shop to accommodate the current division fleet and the replacement of the existing paint booth with a new downdraft booth.
- Collier Emergency Generator and Electric Bus - \$1,000,000
 - This project consists of the replacement of backup generators and some associated electrical distribution equipment at the following PRT locations: Collier Garage, West Mifflin Garage, and OCC Building at the South Hills Village Rail Center location.
- Bus Lift Replacement Program - \$2,000,000
 - This project consists of the replacement of bus lifts at Ross Garage, East Liberty Garage and Collier Garage.
- New Facility Expansion - \$2,849,864
 - Bus Overhaul/ NRV Repair and/or Bus Operating Division. This project includes the finalization of the facilities master plan (Project Zero) and conceptual design for a new bus operating division and heavy overhaul facility. Project Zero is slated for four more phases of work (Phase 4 – Park and Ride Strategic Plan, Phase 5 – COA Alternatives Development, Phase 6 – Preferred COA Development, Phase 7 – Final Deliverable). The preferred COA will include a summary of the COA development and the infrastructure financing and implementation plan.
- Harmar Garage Improvements - \$7,000,000
 - This project consists of facility improvements at the Harmar Garage location including roof replacement, HVAC upgrades, and fire protection system upgrades.

- Wilkinsburg and Herron Station Reconstruction - Design - \$1,750,000
 - This is taking the conceptual designs created for East Busway stations of Herron Station, Wilkinsburg Station, and a new Brushton Station to 100% design.
- Hamnett Station - Design - \$650,000
 - This is creating a conceptual design and station area plan for Hamnett Station that will investigate station access, station redesign, and opportunities for transit-oriented development on PRT's property.
- Security & Fire Alarm System - \$500,000
 - This project consists of the replacement of the existing Fire Alarm Control Panels and Security Control Systems throughout the PRT system. The current systems are comprised of outdated and multiple manufacturer-based units that have hard-to-find replacement parts. The installation of newer control panels and control systems will allow PRT to standardize across its system and minimize the number of spare parts needed.
- Facilities HVAC Improvements - \$1,700,000
 - This project consists of the designing and construction of replacement HVAC units at South Hills Junction Building 1, Collier Garage, West Mifflin Garage, and the South Hills Village Cash Handling building. In addition to HVAC units, the Vehicle Exhaust Systems (VES) are also being replaced at South Hills Junction Building 1 and Collier Garage. The HVAC units and VES have reached their end-of-life and continue to exceed their useful service life.
- Zero Emissions Infrastructure - \$6,525,000
 - This project continues the effort of the electrical capacity upgrade and battery electric bus charging station installation at PRT's Collier Garage in support of PRT's zero emission 2045 goal.
- SHV Work Platforms/Fall Protection - \$750,000
 - This project provides installation of additional fall protection systems at PRT's South Hills Village Rail Center Maintenance Building.

- OCC Yard Throat Crossing Replacement - \$2,000,000
 - This project funds the replacement of the existing grade crossing at the South Hills Village Rail Center Yard Throat adjacent to the Operations Control Center (OCC) Building.
- Stage 1 Station/Platform Improvement - \$1,500,000
 - This project continues the effort of improving the State of Good Repair at the High Platform Stations along PRT's Light Rail Vehicle rail lines. This includes concrete repairs, repainting, relighting and protective coatings.
- Station Square and Dormont Improvement - \$500,000
 - This project funds improvements to Station Square and Dormont Junction stations with enhanced rider amenities, boarding platform entrance/ exit modifications and improvements to the sidewalk and streetscape.

Agency Innovation

- Automated Fare Collection System Refresh - \$13,000,000
 - The purpose of the Fare System Refresh project is to replace aging and outdated ticket vending machines with seamless, electronic, automated Fare Vending Machines (FVM) that will administer multiple fare media types including mobile fares.
- Hitachi Rail Systems - Operations - \$4,000,000
 - Consultation Services and upgrades for backend Rail Systems servers and software for Rail Transit Operations.
- Wireless System Upgrade - \$60,000
 - Initial review of next generation wireless infrastructure for agency wide wireless data access. This will be for the analysis of our current wireless infrastructure and were PRT will need to update it to 202X technology (E.G. Wifi 6e/7 standards, better coverage across all agency locations, etc.).

- Bus/LRV/NRV Radio Replacement - \$5,000,000
 - To upgrade the current radio system. Several options have been identified and once chosen, the project will move forward to the RFP process.
- SAN Storage - \$350,000
 - For replacement of SAN and server equipment currently used by rail lines and for AFCS.
- Audio Visual Upgrades - \$100,000
 - To be used for additional large format monitors, virtual conferencing hardware, and additional needs in various conference rooms and other areas.
- Database Software Upgrades SQL Server Upgrades - \$450,000
 - To upgrade several databases currently on SQL Server Version 2016 before maintenance/support expires at the end of 2026.
- Digital Communications at Various Stations - \$2,500,000
 - This project will deploy digital communications at various stations to provide real time bus and rail arrival information.
- Telecommunications System Replacement - \$500,000
 - This project will replace all obsolete telecommunication equipment at all PRT's operating and administrative facilities.

Support Vehicles and Shop Equipment

- Replacement of Various Non-Revenue Vehicles/Shop Equipment - \$3,289,000
 - PRT will purchase various new non-revenue vehicles. The intention is to replace approximately 40 mid-sized to heavy duty vehicles. The current vehicles have reached the end of their useful life, and the new machine will reduce maintenance costs. Shop equipment includes 5 new garage sweepers and Air Compressor Replacement at South Hills Village.

Transit Enhancement Support Programs

- Shelter Replacement Program - \$500,000
 - This project consists of purchasing new seating and shelter options, to improve the overall comfort and safety of our passengers of all abilities. By investing in these upgrades and replacements, we are committed to providing a more pleasant and efficient experience for all riders in the Pittsburgh region.

- Wayfinding Signage Phase III - \$1,300,000
 - This project aims to ensure that customers can easily navigate our spaces and services. By upgrading our Wayfinding Station Signage, we aim to enhance the overall customer experience, increase customer satisfaction, and ultimately drive more traffic to our various locations we serve. This project will involve updating the design, layout, and information provided on our signage, as well as ensuring that they are easily visible and accessible to customers. Our goal is to make it as easy as possible for customers to find their way around our spaces and discover transit as an option for their next event.

- Homestead to McKeesport Upgrade Transit - \$2,000,000
 - This project has sought funding for the construction funds from the USDOT for ~\$27M and is awaiting notice of award. The H2M Street Improvement Implementation Plan is an initiative led by Pittsburgh Regional Transit (PRT) in partnership with Allegheny County, PennDOT, and six partner municipalities in the project area. The Homestead to McKeesport project, a crucial initiative spanning just over seven miles in the heart of the Monongahela Valley, is set to make a significant difference. It extends from the southern end of the Homestead-Grays Bridge to the McKeesport Transportation Center along Pennsylvania (PA) State Route 837 and PA State Route 148. This busy arterial corridor is home to several major attractions, employers, and community anchors, drawing visitors from across the region.
 - After completion of NEXTransit, PRT conducted public, stakeholder, elected official, and agency engagement which affirmed the need for transit and pedestrian safety improvements in the H2M corridor.
 - Field views of the H2M corridor alongside crash data analysis indicated a need to enhance the safety of people who are accessing transit service.
 - The H2M corridor is experiencing increasing congestion which negatively impacts on-time bus performance and travel times for transit riders.
 - In addition to the proposed H2M improvements, PRT requests funding for the unfunded Bus Rapid Transit (BRT) route connection—the PRTX-Squirrel Hill Branch,

currently proposed to end at Loretta Street in the City of Pittsburgh's Greenfield neighborhood; PRT will study the six (6) intersections, between the current PRTX terminus and the start of the H2M Corridor Implementation project. The associated planning, design, and development activities for this segment allow PRT and its partners to determine additional complimentary street safety and transit projects for all segment users.

- NTDT - Downtown Transit Improvements - \$1,000,000
 - This project implements the NEXTransit Downtown study which aimed to improve buses travel patterns in downtown Pittsburgh to complement upcoming projects and improve transit efficiency. Infrastructure improvements will be made to enable the final proposed changes.
- Bus Network Study - \$300,000
 - This systemwide bus network planning study is a comprehensive review of the bus network and envisioning a new concept based on current and project travel demand. Phases 1 and 2 of the project were completed in December 2023 and May 2024 respectively. This funding augments prior funding to allow the completion of phases 3 and 4 study during fall 2024 and spring 2025, respectively.
- Transit Access Sidewalk Improvement Program - Design - \$300,000
 - The Transit Access Improvement Program (TAIP) is a prioritization project to determine how PRT will use existing grant funding (~\$4m) to construct infrastructure improvements at or near bus stops across Allegheny County. Within the calendar year, PRT intends to begin coordination with Penn Hills to execute the first round of construction projects targeted around PRT bus stops along Frankstown Road.

Impact of Capital Projects on the Operating Budget

The decisions made regarding PRT's Capital Improvement Plan advance the strategic vision of the company and maintain its core assets. These decisions can both positively and negatively impact the PRT Operating budget depending on the project. This supports the need for the Operating and Capital Budgets to work together for the good of the company and the community. The following paragraphs provide some detail into how the major projects budgeted for FY2025 will impact the Operating side of the company:

Revenue and Non-Revenue Vehicle Replacement

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

Fixed Guideway Improvements

FY2025 funding invests in improvements to Port Authority's light rail infrastructure, tunnels, bridges and busways. Projects include replacement of aging and deteriorating infrastructure such as concrete, rail, conduit, cable, fans, lighting, communications equipment, and the subway rail improvements. These projects will have a positive impact to the Authority's operations budget as they will reduce the maintenance cost required to maintain revenue service as well as provide more energy efficient lighting and ventilation equipment.

Facility Improvements

The FY2025 funding for facility improvements provides various updates to PRT's operations and maintenance facilities, bus and rail stations, and various park and ride lots. Many of the projects entail renewals to existing infrastructure which have exceeded their useful life, and which require higher operation costs to maintain. Examples of a few projects which will have a positive impact to the operating budget include Electric Charging Infrastructure to support Battery Electric Buses, various facilities replacement of obsolete HVAC equipment, and Heinz facility improvements. These projects include upgrades to HVAC and LED lighting to modern equipment of higher efficiency, saving utility consumption and reducing operation costs. The electric charging infrastructure will allow PRT to expand our battery electric bus fleet, and therefore reducing future bus maintenance.

Transit Support Programs

Port Authority's Transit Support Program includes enhancements and upgrades to information technology (IT) hardware/software, support vehicles and equipment, and other planning programs in support transit enhancements. To support operations and maintenance needs in FY2025, the PRT will replace various non-revenue vehicles which have exceeded their useful life and require more maintenance to keep in service. Replacing equipment and vehicles that have exceeded their useful life will have a positive impact on the operations budget by directly reducing maintenance costs.

In FY 2024, Pittsburgh Regional Transit reorganized from eight divisions into seven to better align with the goals and objectives of the Strategic Plan and position the Agency for successful collaboration in the future. This reorganization eliminated the Finance division as a stand-alone division by splitting out the existing departments into the remaining seven divisions. The Strategy department moved under the Office of the CEO to better manage and implement the Strategic Plan. The Materials department moved under Transit Operations while Payroll, DBE Program, and Administrative Services moved under Human Resources. The Procurement department shifted under Agency Innovation Services, formerly known as Information Technologies, and the remaining finance departments moved under the Planning & Service Development division which was reclassified as the Finance and Development division. For FY 2025 the Agency elected to refine its structure and convert Finance back to a standalone division, which is now made up of the follow departments: Executive & General, Accounting, Cash Management, Financial Planning & Budgets, the General Administrative Expense department, and Grants /Capital Programs & Accounts Payable. The budget is developed based on these eight divisions and those departments reporting within each division. Pittsburgh Regional Transit has over 70 departments at 15 locations reporting to the eight various divisions.

The Chief Executive Officer works closely with the Board of Directors and provides leadership to the entire PRT organization. The executive leadership team takes direction from the Chief Executive Officer and is responsible for managing the daily operations of their respective division. Together, divisions and departments work to provide quality transportation services to the Allegheny County region. The organizational structure found on the next page (chart 11) is a high-level organizational leadership chart.

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

Organizational Structure

Chart 11

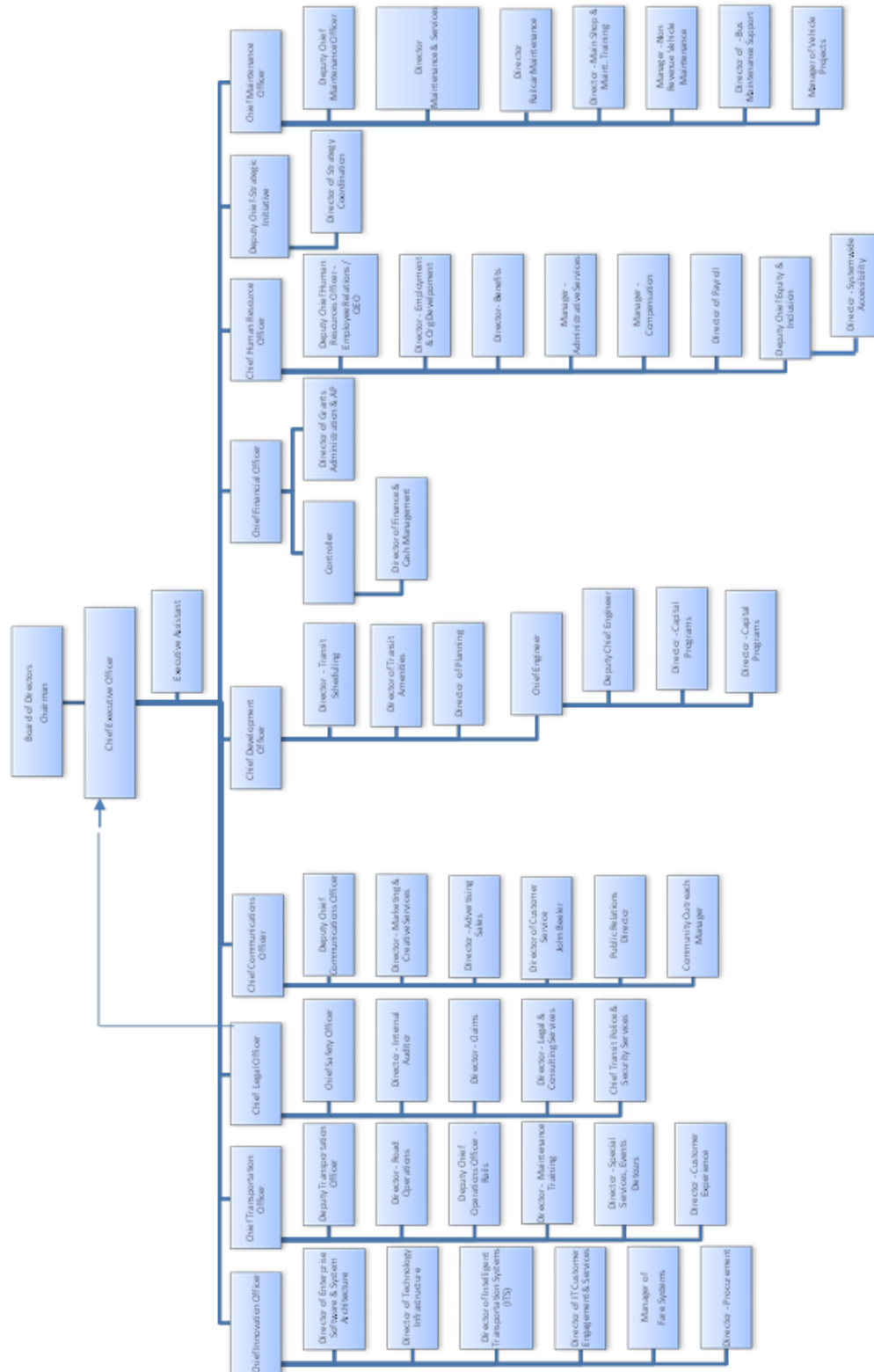
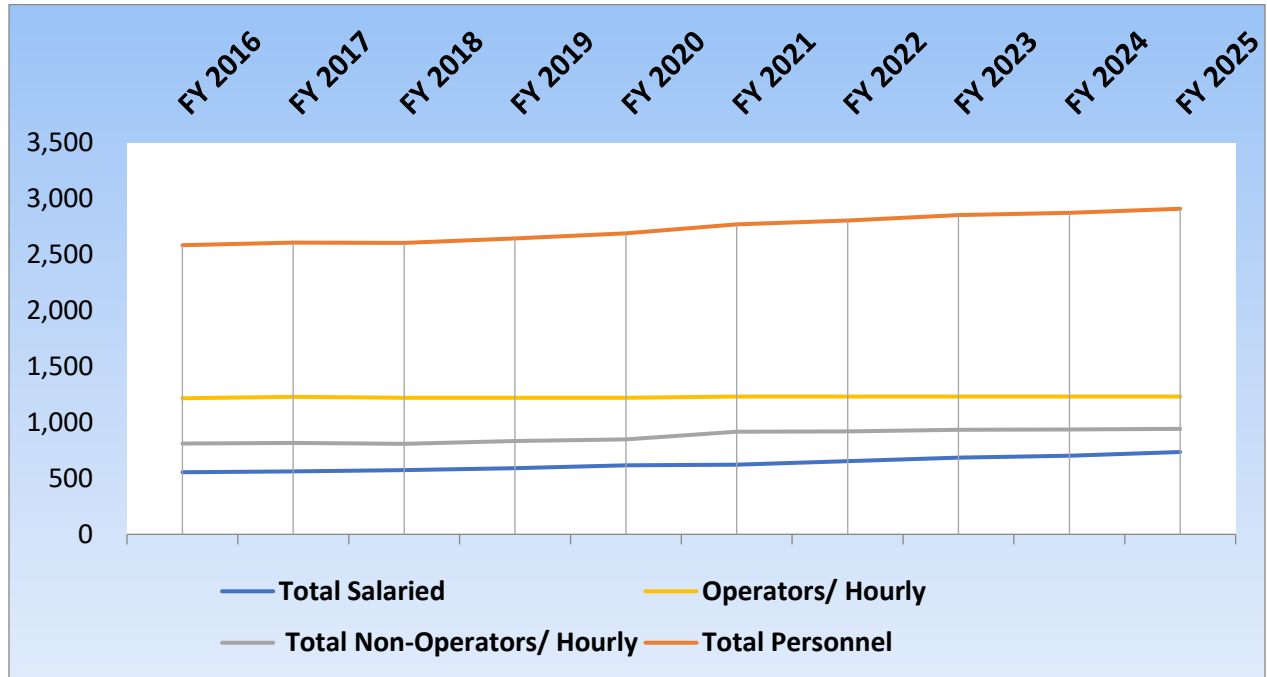
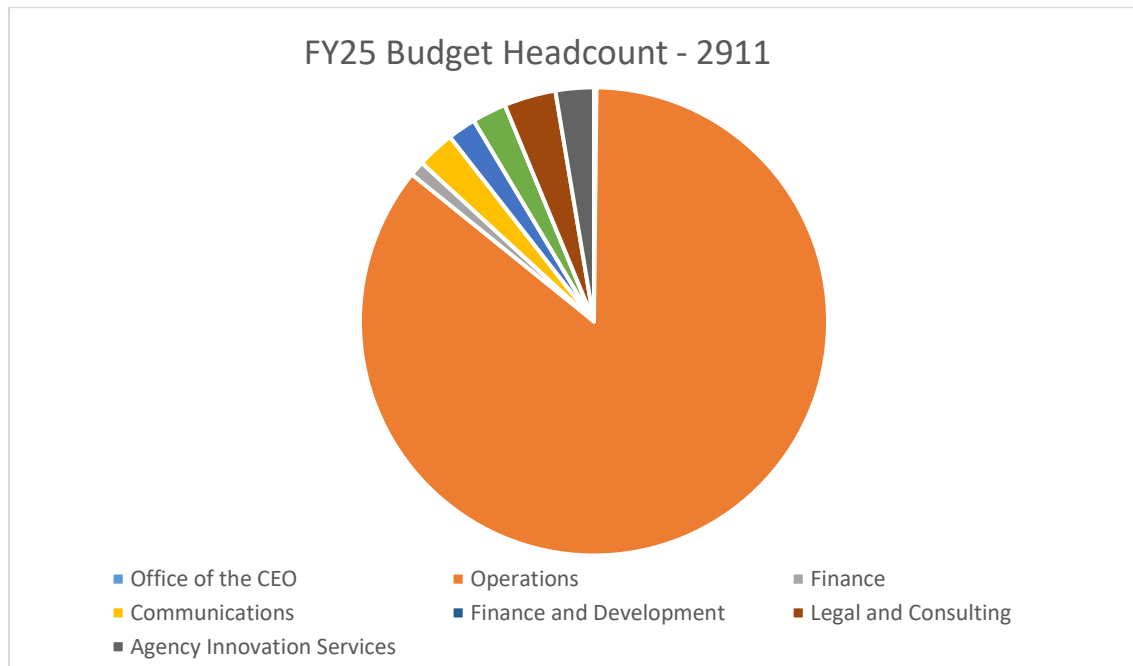


Chart 12



FY 2025 Headcount

Chart 13



The Office of the Chief Executive

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

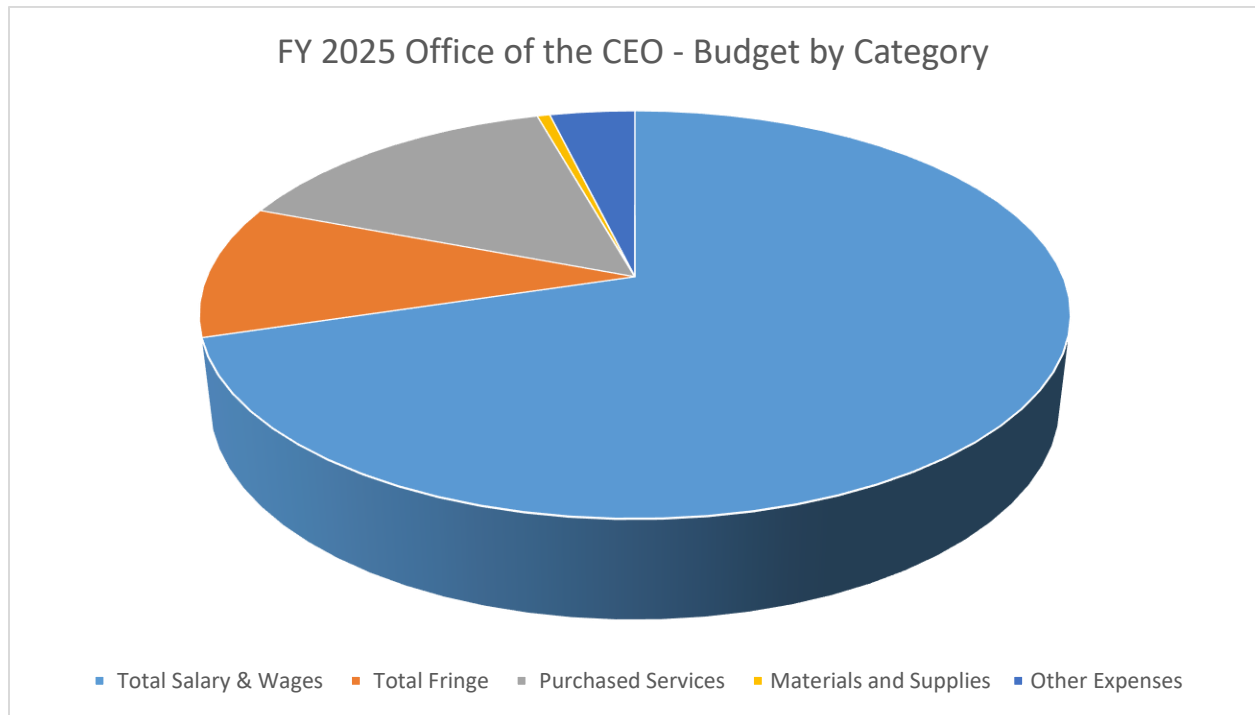
Office of the CEO – Personnel (No. of Employees)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Office of the CEO	3	3	2	2
Strategy	0	0	3	3
Total Personnel	3	3	5	5

Office of the CEO - Expenses by Category

Office of the CEO	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Salary & Wages	\$ 396,621	\$ 464,103	\$ 530,760	\$ 800,419	50.81%
Total Fringe	\$ 58,380	\$ 59,143	\$ 77,371	\$ 120,526	55.78%
Purchased Services	\$ -	\$ -	\$ 433,128	\$ 168,810	-61.03%
Materials and Supplies	\$ -	\$ 954	\$ 2,081	\$ 6,400	207.61%
Other Expenses	\$ 33,428	\$ 3,704	\$ 26,758	\$ 42,950	60.51%
TOTAL NET EXPENSE	\$ 488,428	\$ 527,904	\$ 1,070,098	\$ 1,139,105	6.45%

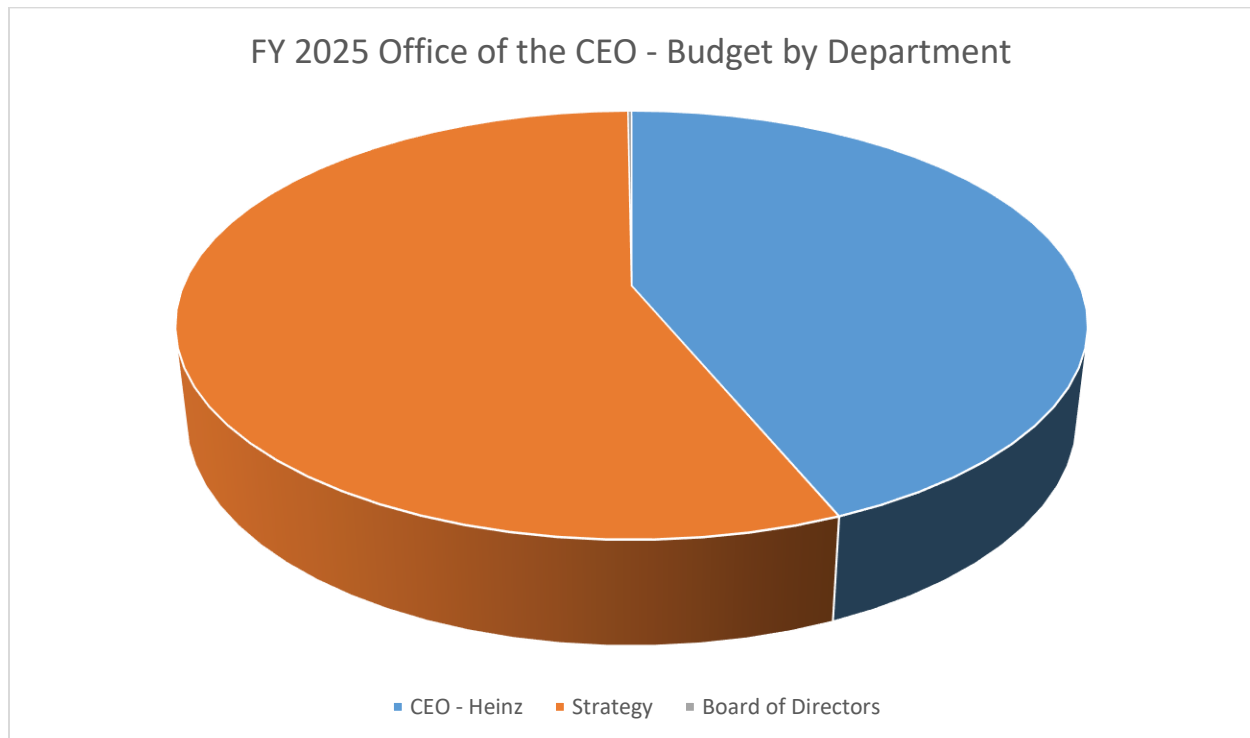
Chart 14



Office of the CEO - Expenses by Department

Office of the CEO 10	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
CEO - Heinz	486,764	527,347	457,568	498,261	8.89%
Strategy	-	-	612,305	639,044	4.37%
Board of Directors	1,664	557	225	1,800	701.42%
Total Expense	\$ 488,428	\$ 527,904	\$ 1,070,098	\$ 1,139,105	6.45%

Chart 15



Office of the CEO – FY 2024 Accomplishments

- ✓ Hired Director of Strategic Planning; All of the 35 strategies identified to begin in Year 1 of the Strategic Plan, were started: 5 are in progress, 20 are on target, and 10 have been accomplished.
- ✓ Hired Director of Sustainability; PRT's Climate Action Plan was published which included PRT's Sustainability Plan.
- ✓ Successfully conducted a bulk pass pilot program.
- ✓ Successfully coordinated with Allegheny County DHS to launch AlleghenyGo, a discounted fare program for low-income riders.

Office of the CEO – FY 2025 Objectives

- ❖ Lead agency engagement and continuous refinement of the PRT's Strategic Plan, assist with the Strategic Plan's implementation, and track the key performance indicators of the Plan.
- ❖ Coordinate and lead the sustainability committee to achieve the goals of PRT's Climate Action Plan.
- ❖ Proactively engage regional stakeholders to maximize partnerships, explore creative funding opportunities, and champion transit initiatives; hire a Partnership Development Coordinator.

Transit Operations

The Transit Operations division is responsible for the safe and timely delivery of transit services. It is comprised of Bus and Rail Operations, the maintenance of PRT's bus and rail vehicles and the maintenance of the Agency's facilities and rail administration. Transit Operations is the largest division at the Pittsburgh Regional Transit and oversees service delivery, maintenance, major overhauls and ensures a safe and secure working and riding environment for employees and customers. There are four bus garages (Ross, East Liberty, West Mifflin, and Collier) that provide daily service and maintenance and one major overhaul bus garage (Manchester). Rail Service delivery has one garage for daily and overhaul maintenance (South Hills Village). South Hills Junction is a support service garage for rail and facilities administration. South Hills Junction contains the following departments: Non-Revenue Vehicles, Way, Facilities, Light Rail Transit System and Power. In FY 2021, a new department was created called Special Events and was added to the Transit Operations Division. Currently, this division is experiencing difficulties hiring operators and maintenance employees to match budgeted levels causing a significant gap between the Actuals and Budget figures below. As part of a FY 2024 reorganization, the Materials department shifted out of Finance and into the Operations division under maintenance and its leadership. The department is responsible for receiving, storage and distribution of materials and supplies. Reorganization of this department has helped to align the work and focus of the department to better meet goals and objectives of the division. The historical financial data for this department during FY 2022 and FY 2023 can be found within the Finance Divisions section.

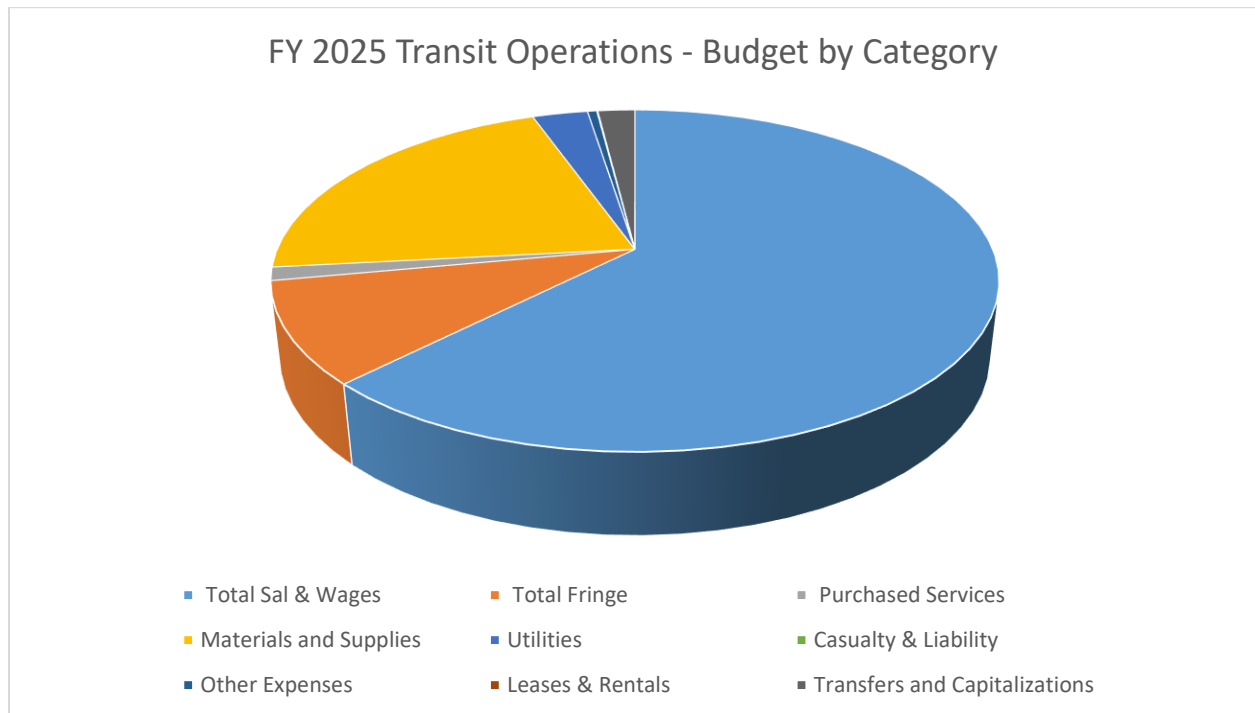
Transit Operations – Personnel (No. of Employees)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Office of Chief Operations Officer	3	3	3	3
Bus & Rail Operations	1,193	1,155	1,185	1,380
Bus & Rail Maintenance	653	665	706	754
Facilities & Rail Administration	293	306	321	352
Special Events	3	3	4	4
Total Personnel	2,145	2,132	2,219	2,493

Transit Operations - Expenses by Category

Transt Operations	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 157,365,048	\$ 160,720,772	\$ 166,980,195	\$ 174,603,758	4.57%
Total Fringe	\$ 22,916,608	\$ 24,394,350	\$ 24,863,270	\$ 26,796,712	7.78%
Purchased Services	\$ 1,682,989	\$ 2,054,914	\$ 1,844,208	\$ 3,516,500	90.68%
Materials and Supplies	\$ 40,325,237	\$ 49,425,983	\$ 51,877,614	\$ 59,371,591	14.45%
Utilities	\$ 5,369,412	\$ 6,259,421	\$ 6,538,375	\$ 8,185,200	25.19%
Casualty & Liability	\$ (125,520)	\$ (322,163)	\$ (199,469)	\$ -	-100.00%
Other Expenses	\$ 591,842	\$ 503,379	\$ 958,686	\$ 1,387,170	44.69%
Leases & Rentals	\$ 192,604	\$ 124,239	\$ 124,173	\$ 133,000	7.11%
Transfers and Capitalizations	\$ (7,063,828)	\$ (8,081,568)	\$ (10,560,743)	\$ (5,500,000)	-47.92%
TOTAL NET EXPENSE	\$ 221,254,393	\$ 235,079,327	\$ 242,426,310	\$ 268,493,931	10.75%

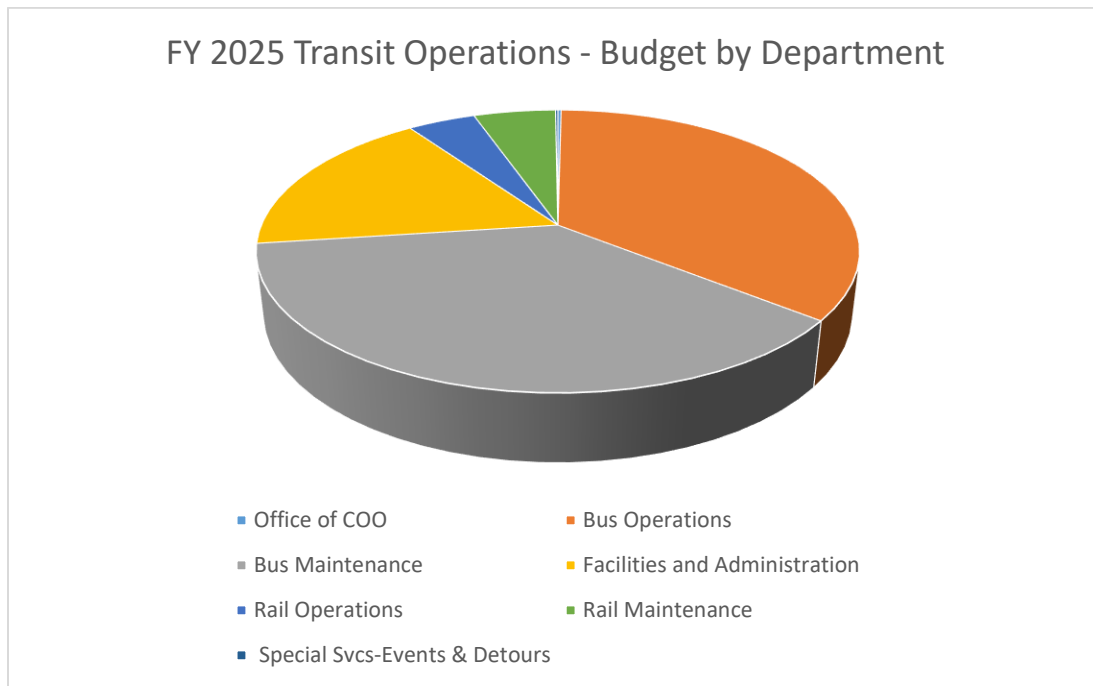
Chart 16



Transit Operations - Expenses by Department

Transit Operations 20	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Office of COO	588,091	461,240	525,576	551,155	4.87%
Bus Operations	89,038,224	89,450,650	88,760,458	95,179,240	7.23%
Bus Maintenance	75,103,242	84,727,198	91,108,626	100,046,239	9.81%
Facilities and Administration	35,390,767	38,058,778	38,730,692	46,581,673	20.27%
Rail Operations	10,416,696	10,126,628	10,498,652	11,659,403	11.06%
Rail Maintenance	10,459,928	11,958,601	12,483,146	14,067,118	12.69%
Special Svcs-Events & Detours	257,444	296,232	319,160	409,103	28.18%
Total Expense	\$ 221,254,393	\$235,079,327	\$ 242,426,310	\$268,493,931	10.75%

Chart 17



Transit Operations – FY 2024 Accomplishments

- ✓ Kept on schedule with rail maintenance 5-year plan (rail/ties/overhead wire).
- ✓ Expanded PennDOT certified CDL test sites to two to help with hiring increases.
- ✓ Completed Supervisor refresher training.
- ✓ Developed in-house de-escalation training module.
- ✓ Completed Zero Emission Fleet Transition Plan.
- ✓ Successfully recaptured \$2.6 million in warranty value.

Transit Operations – FY 2025 Objectives

- ❖ Train and graduate a target of 300 operators for calendar year 2024.
- ❖ Train all new hire maintenance students for their CDL licenses.
- ❖ Increase On Time Performance (OTP) by 5%.
- ❖ Implement operator apprenticeship program.
- ❖ Stay on Schedule with rail maintenance 5-year plan.
- ❖ Non-Revenue Vehicle Zero Emission Transition Plan.
- ❖ Year one of a two-year seat replacement campaign.
- ❖ Develop Battery Electric Bus (BEB) Vehicle Overhaul (VOH) program.
- ❖ Increase maintenance training for both battery electric bus as well as refresher training.

Finance Division

The Finance Division is comprised of the Executive and General department, Accounting, Cash Management, Financial Planning & Budgets, General Administration, and Grants & Capital Programs and Accounts Payable. The Strategy department was developed and implemented for FY 2023 and then reorganized to Office of the CEO in FY 2024. Additionally, for FY 2024 the Finance Division merged with Planning and Development, however, with the hiring of a CFO during the year, the agency again pivoted and made Finance a standalone division for FY 2025. Responsibilities of the Finance Division include preparing and monitoring annual operating and capital budgets; all accounting and financial documentation; Federal, State, and County government reporting and grant applications; revenue collection and processing; financial projections and analyses; purchasing, receiving, storage and distribution of materials and supplies and the administration and maintenance of our ConnectCard fare system (AFCS). The Finance division also provides oversight of the General Administrative Expenses of Pittsburgh Regional Transit. These include corporate and general insurance expense and the federal, state & local capitalizations used to offset operating expenses. The FY 2024 financial data for the various finance departments that were reorganized to Planning for that year can be found within the Planning and Development section.

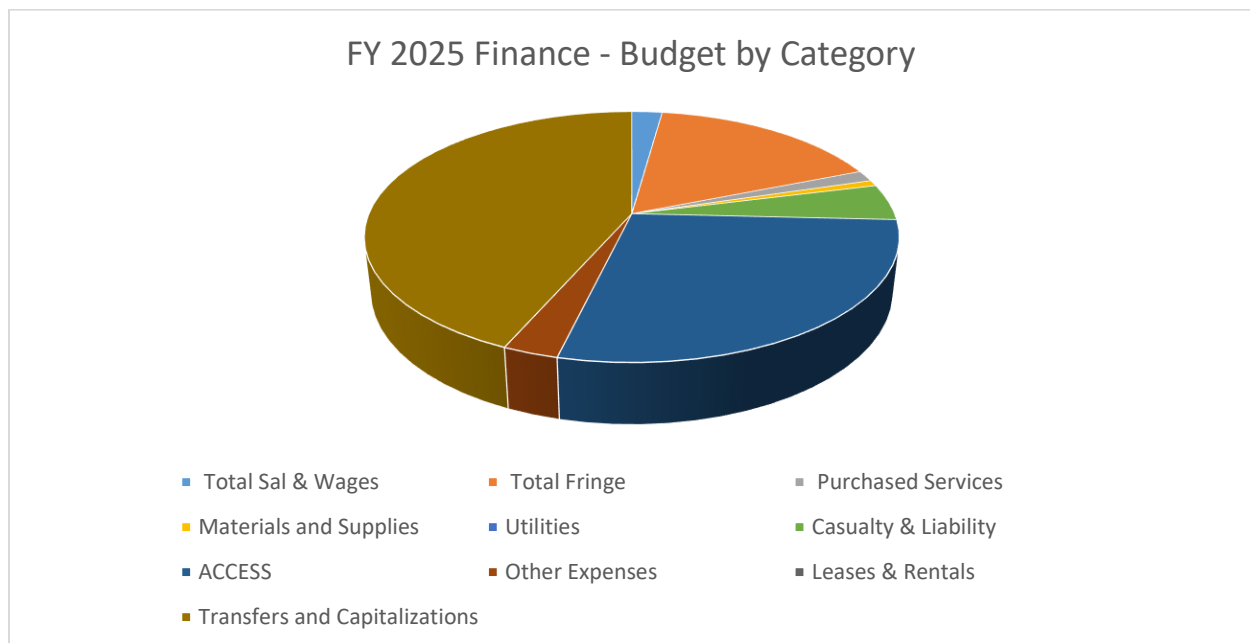
Finance – Personnel (No. of Employees)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Office of the Controller	1	1	0	0
Executive & General - Finance	3	0	0	3
Materials	42	44	0	0
Operating Accounting	6	6	0	4
Payroll	4	4	0	0
Cash Management	5	5	0	9
Financial Planning & Budgets	5	5	0	4
Procurement	22	25	0	0
DBE Program Manager	3	3	0	0
Grants and Capital Programs	7	7	0	10
Administrative Services & Technical Specs	7	7	0	0
Total Personnel	105	107	0	30

Finance - Expenses by Category

Finance	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 7,366,607	\$ 8,176,992	\$ -	\$ 2,658,936	100.00%
Total Fringe	\$ 16,770,127	\$ 17,276,625	\$ -	\$ 20,325,494	100.00%
Purchased Services	\$ 783,213	\$ 1,085,072	\$ -	\$ 1,735,000	100.00%
Materials and Supplies	\$ 235,406	\$ 145,043	\$ -	\$ 903,200	100.00%
Utilities	\$ 3,815	\$ 1,992	\$ -	\$ 6,000	100.00%
Casualty & Liability	\$ 3,020,851	\$ 4,052,425	\$ -	\$ 5,670,000	100.00%
ACCESS	\$ 27,807,315	\$ 30,227,185	\$ -	\$ 33,960,100	100.00%
Other Expenses	\$ 1,019,520	\$ 1,672,027	\$ -	\$ 3,452,635	100.00%
Leases & Rentals	\$ 1,696,605	\$ 1,705,998	\$ -	\$ -	0.00%
Transfers and Capitalizations	\$ (96,735,190)	\$ (224,724,705)	\$ -	\$ (52,734,180)	100.00%
TOTAL NET EXPENSE	\$ (38,031,732)	\$ (160,381,346)	\$ -	\$ 15,977,185	100.00%

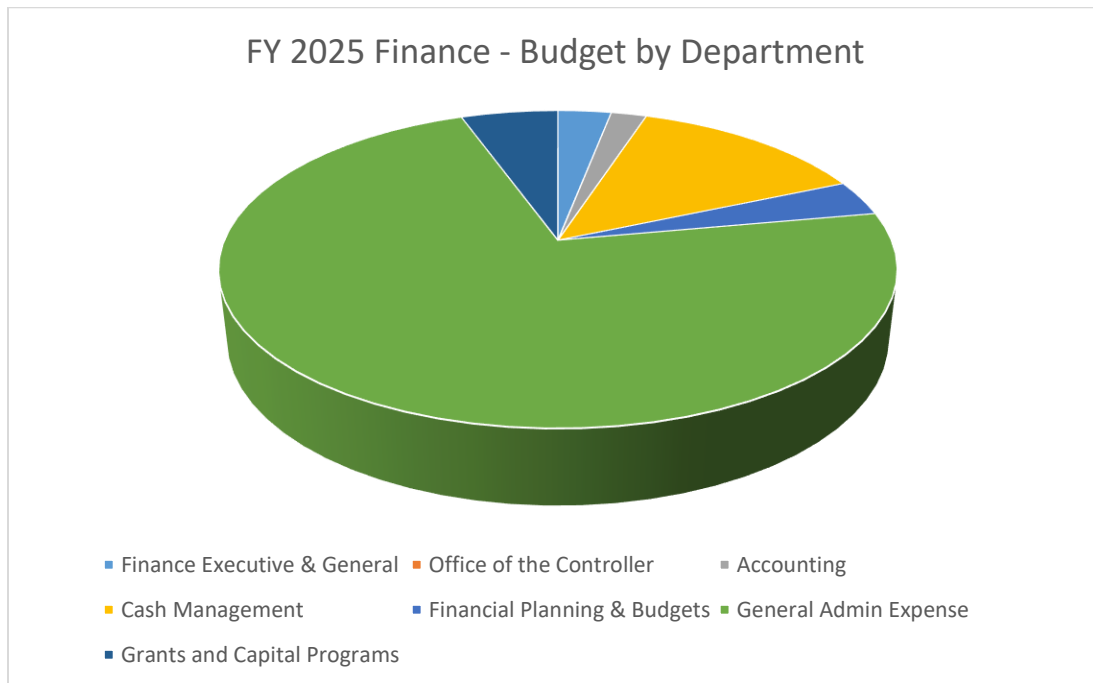
Chart 18



Finance - Expenses by Department

Finance 40	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Finance Executive & General	241,537	345,791	-	484,330	100.00%
Office of the Controller	161,840	170,912	-	-	0.00%
Materials	3,643,337	4,119,725	-	-	0.00%
Operating Acctg - Heinz	304,396	359,607	-	-	0.00%
Accounting	304,396	359,607	-	322,145	100.00%
Payroll	314,275	336,858	-	-	0.00%
Cash Management	830,790	846,225	-	2,152,830	100.00%
Financial Planning & Budgets	751,252	559,319	-	576,860	100.00%
General Admin Expense	(49,341,320)	(172,672,176)	-	11,559,818	100.00%
Procurement	1,889,943	2,030,830	-	-	0.00%
Procurement - Manchester	70,663	125,229	-	-	0.00%
Procurement - Heinz	1,819,280	1,905,601	-	-	0.00%
DBE Program	153,070	216,433	-	-	0.00%
Grants and Capital Programs	641,415	670,304	-	881,202	100.00%
Strategy	-	232,691	-	-	0.00%
Admin services & Tech Specs	2,377,735	2,402,133	-	-	0.00%
Total Expense	\$(38,031,731)	\$(160,381,347)	\$ -	\$ 15,977,185	0.00%

Chart 19



Finance – FY 2024 Accomplishments

- ✓ Recipient of the GFOA Budget Award.
- ✓ Successfully closed the FY2023 National Transit Database (NTD) Report.
- ✓ Completed costing for the newly implemented Police Sergeants and Lieutenants contract.
- ✓ Successfully implemented the Payment Request PeopleSoft module.

Finance – FY 2025 Objectives

- ❖ Establish a robust grant pursuit strategy with a goal to increase our success with discretionary grant applications.
- ❖ Continue to review processes and procedures for cost savings and efficiency.
- ❖ Continue to work with government relations and other relevant groups to secure additional funding for transit.
- ❖ Continue to work with relevant stakeholders to prioritize capital projects and increase information shared on impact of capital projects.

Communications Division

The Communications Division oversees Marketing and Creative Services, Public Relations, Advertising, Government Affairs, and Customer Service. The former independent departments of Creative Services and Community Outreach will be absorbed into Marketing for FY 2025. The responsibilities of this division include public engagement through advertising and social outreach, stakeholder relations, media relations, marketing and promotion of services; production of most public materials, such as brochures, advertising, maps, and websites; management of social media; and management of advertising on PRT assets to generate additional revenue. The Communications Division will continue to review and integrate modern technology as a means to actively communicate with riders. Mobile applications have made it easier for our riders to pinpoint the exact location of the next bus. Further, new signage will more effectively communicate designated routes and enable riders to interact with service schedules.

Communications – Personnel (No. of Employees)

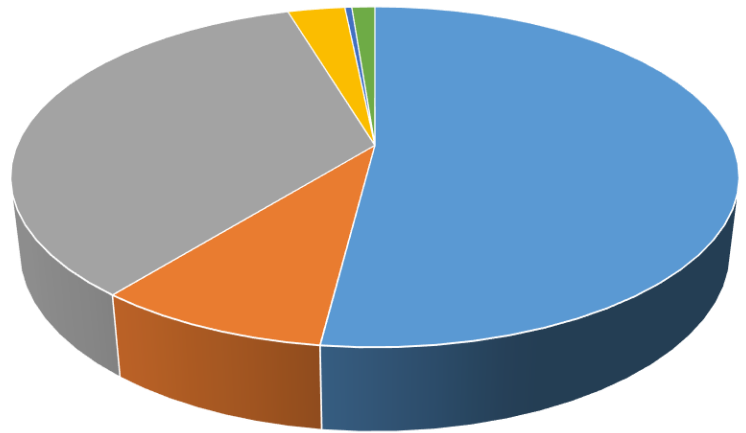
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Executive & General - Communications	1	1	3	3
Creative Services	4	4	3	0
Marketing	1	2	2	12
Customer Service	35	36	36	47
Advertising Sales	3	3	3	3
External Relations	2	2	2	3
Public Relations	3	6	5	8
Community Outreach	2	2	1	0
Total Personnel	51	56	55	76

Communications - Expenses by Category

Communications	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 2,908,269	\$ 3,344,159	\$ 3,512,098	\$ 5,129,855	46.06%
Total Fringe	\$ 579,544	\$ 591,962	\$ 690,551	\$ 866,789	25.52%
Purchased Services	\$ 1,489,949	\$ 1,867,161	\$ 1,630,696	\$ 3,414,000	109.36%
Materials and Supplies	\$ 232,510	\$ 211,062	\$ 240,970	\$ 298,800	24.00%
Utilities	\$ 9,159	\$ 15,580	\$ 19,144	\$ 36,000	88.05%
Other Expenses	\$ 21,892	\$ 34,268	\$ 48,776	\$ 120,780	147.62%
Transfers and Capitalizations	\$ (3,721)	\$ -	\$ (3,322)	\$ -	-100.00%
TOTAL NET EXPENSE	\$ 5,237,602	\$ 6,064,192	\$ 6,138,911	\$ 9,866,224	60.72%

Chart 20

FY 2025 Communications - Budget by Category

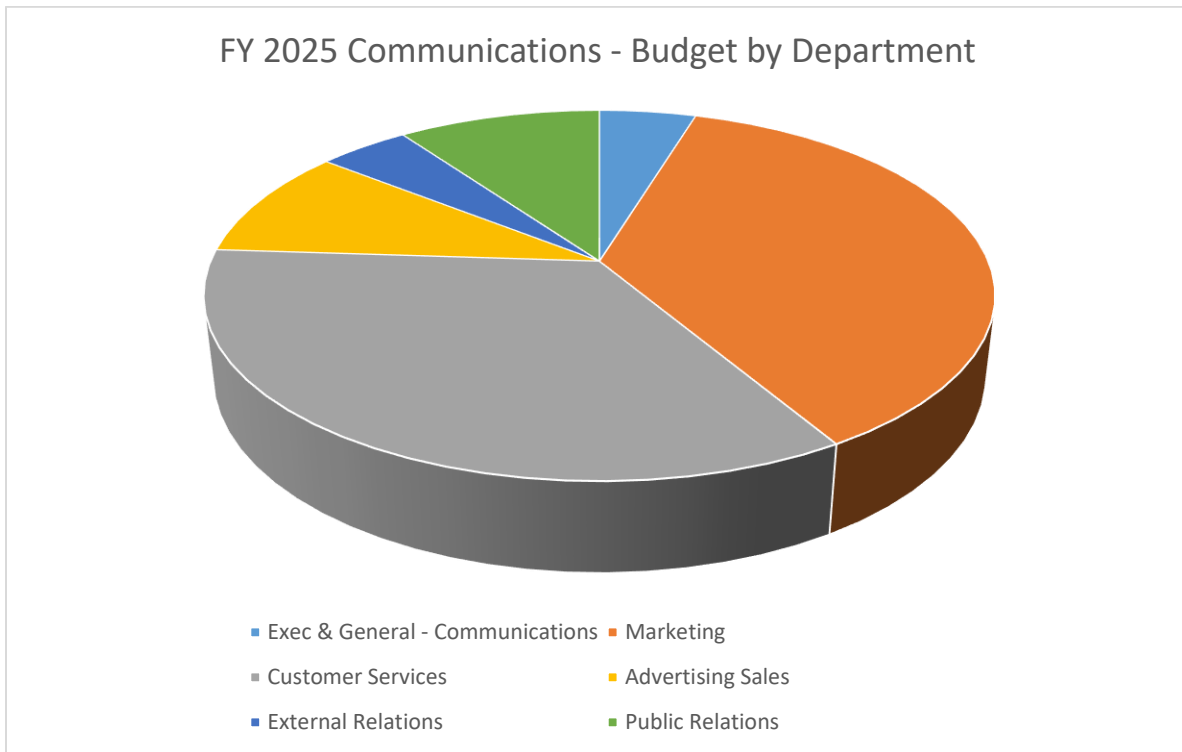


- Total Sal & Wages
- Total Fringe
- Purchased Services
- Materials and Supplies
- Utilities
- Other Expenses
- Transfers and Capitalizations

Communications - Expenses by Department

Communications 50	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Exec & General - Communication	247,622	291,320	404,491	464,384	14.81%
Creative Services	503,820	795,192	661,906	-	-100.00%
Marketing	978,702	783,513	793,288	3,624,672	356.92%
Customer Services	2,041,139	2,260,251	2,429,764	3,412,314	40.44%
Customer Services-DTC	398,053	478,182	466,849	584,311	25.16%
Customer Services - Heinz	1,134,531	1,218,561	1,403,221	2,086,043	48.66%
Customer Services-SHV	508,554	563,508	559,694	741,960	32.57%
Advertising Sales	759,709	791,606	817,164	950,402	16.30%
External Relations	350,232	450,958	401,975	438,963	9.20%
Public Relations	248,088	382,740	464,934	975,489	109.81%
Community Outreach	108,291	308,613	165,390	-	-100.00%
Total Expense	\$ 5,237,602	\$ 6,064,192	\$ 6,138,911	\$ 9,866,224	60.72%

Chart 21



Communications – FY 2024 Accomplishments

- ✓ Restructured Customer Service to accommodate rider alerts system in FY25.
- ✓ Implemented enhanced language access opportunities for riders.
- ✓ Implemented a BRT public communications & stakeholder program.

Communications – FY 2025 Objectives

- ❖ Implement the rider service alerts “disruption management” system in Customer Service.
- ❖ Extend Customer Service hours earlier and later (calls, digital).
- ❖ Produce “how to ride” video – available in several languages.
- ❖ Coordinate strategically with elected leaders to pursue state and local funding solutions.
- ❖ Implement community relations efforts to support multiple light rail projects.

Human Resources Division

The Human Resources Division includes the following departments: Employment and Development, Benefits, Compensation Services, Employee/Labor Relations, and the Office of Equal Opportunity. As part of the FY 2024 reorganization, the division was joined by Payroll, DBE Program Management, and Administrative Services. Shifting these three departments out of Finance helped to align their objectives with the objectives of the Human Resources division and the services that they provide. The DBE Program Management department will expand in FY 2025 and recognize a name change to Inclusion, Diversity, Equity, & Accessibility or I.D.E.A. The division as a whole provides a full range of human resources services to Pittsburgh Regional Transit including the administration of healthcare, life insurance, unemployment compensation and other employee benefits programs, as well as Payroll and training and organizational development.

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

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

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

Human Resources – Personnel (No. of Employees)

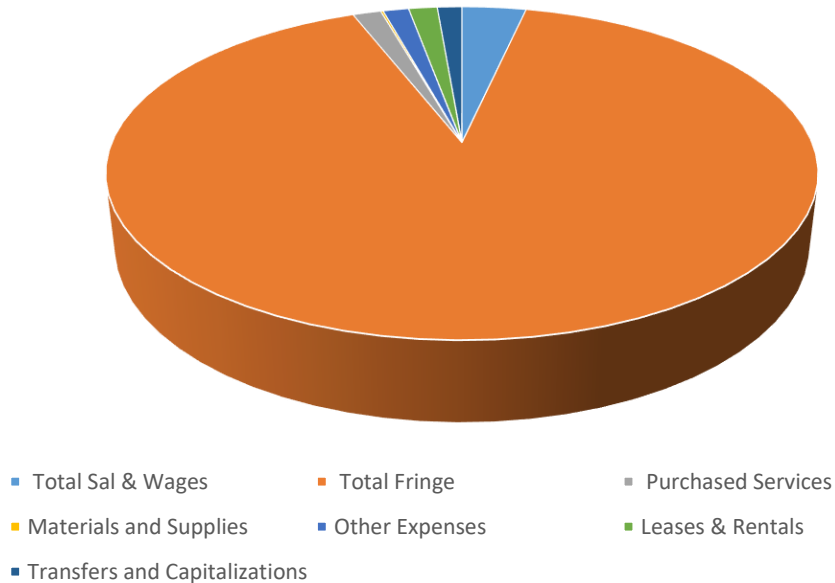
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Executive and General - HR	2	2	3	1
Employment and Development	11	12	14	14
Payroll	0	0	5	5
Employee Relations / OEO	10	9	10	10
Benefits	8	8	7	9
Compensation Services	4	4	5	4
Employee Assistance Program (EAP)	0	0	0	1
DBE Program	0	0	3	0
Inclusion, Diversity, Equity, & Accessibility (IDEA)	0	0	0	5
Administrative Service & Technical Specs	0	0	8	8
Total Personnel	35	35	55	57

Human Resources - Expenses by Category

Human Resources	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 2,576,885	\$ 2,708,161	\$ 3,869,119	\$ 4,447,253	14.94%
Total Fringe	\$ 119,303,204	\$ 121,830,868	\$ 130,652,079	\$ 115,912,301	-11.28%
Purchased Services	\$ 1,129,820	\$ 1,179,406	\$ 1,407,835	\$ 1,955,400	38.89%
Materials and Supplies	29,372	21,387	108,312	173,500	60.18%
Other Expenses	414,740	895,708	1,027,281	1,778,450	73.12%
Leases & Rentals	-	-	1,824,206	1,983,000	8.70%
Transfers and Capitalizations	(1,269,050)	(1,538,212)	(2,007,629)	(1,708,058)	-14.92%
TOTAL NET EXPENSE	122,184,971	125,097,317	136,881,202	124,541,846	-9.01%

Chart 22

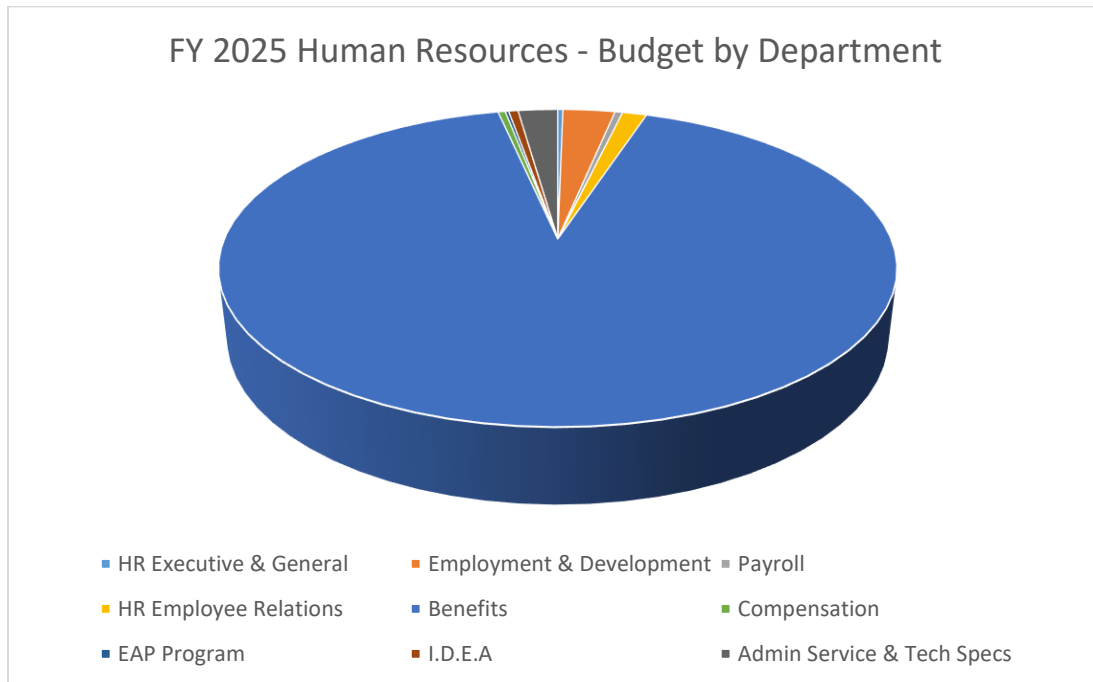
FY 2025 Human Resources - Budget by Category



Human Resources - Expenses by Department

Human Resources 60	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
HR Executive & General	325,935	422,301	332,976	363,871	9.28%
Employment & Development	1,904,813	2,387,848	2,724,205	3,691,088	35.49%
Payroll	-	-	423,125	540,833	27.82%
HR Employee Relations	1,105,499	2,209,341	1,432,766	1,714,606	19.67%
Benefits	118,448,952	119,610,833	128,633,893	114,009,326	-11.37%
Compensation	304,627	368,133	451,639	507,507	12.37%
EAP Program	95,144	98,861	123,644	241,862	95.61%
I.D.E.A	-	-	229,395	666,854	190.70%
Admin Service & Tech Specs	-	-	2,529,558	2,805,899	10.92%
Total Expense	\$ 122,184,970	\$ 125,097,317	\$ 136,881,202	\$124,541,846	-9.01%

Chart 23



Human Resources – FY 2024 Accomplishments

- ✓ Recognized as a Top Workplace, Age Friendly Employer and Veteran-Friendly organization.
- ✓ Increased the percentage of procurement contract values awarded to DBEs by 25%.
- ✓ Launched a Student Loan Repayment Assistance Program and a Caregiver Assistance Program.

Human Resources – FY 2025 Objectives

- ❖ Recruit and hire 300 Student Operators to reduce vacancies and meet staffing needs of the Agency.
- ❖ Implement an employee benefits website for easy data management and access.
- ❖ Implement PeopleSoft ePerformance, online performance management system.

Planning and Development Division

In FY 2024 the Finance Division merged with the Planning and Development Division to bring together ridership trends, short- and long-range projects, and funding all under one single division. In FY 2025 Finance and Planning will revert back to two individual divisions, but still work together closely and maintain collaboration. Planning and Development's responsibilities include implementing service changes, monitoring bus and rail service efficiency, developing and distributing schedules and timetables, collecting data for both state and federal reporting, maintaining databases for bus and rail stops/stations, and steering the Pittsburgh Regional Transit's long-range projects. It consists of the Planning, Service Development, Transit Amenities, and Engineering & Technical Support departments. The collection of Engineering and Technical Support departments provide engineering support on PRT projects, oversees capital investments, develop technical specifications for the procurement of services and materials, reviews and evaluates engineering conditions and environmental coordination, and provides ancillary operational support.

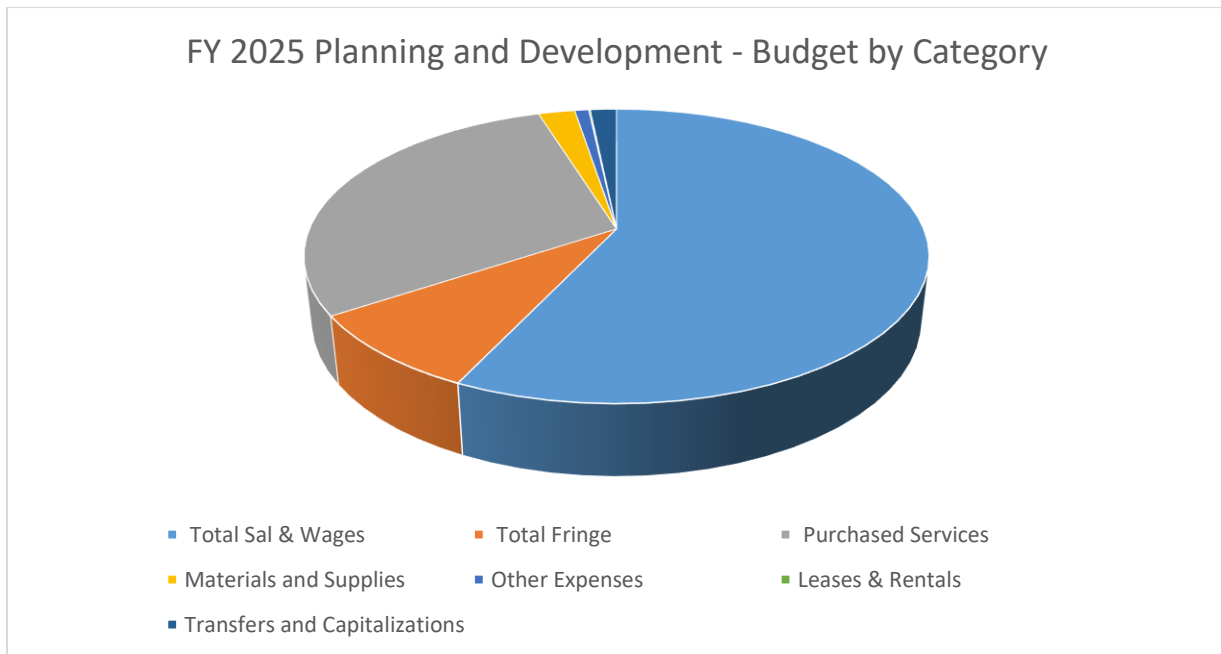
Planning and Development – Personnel (No. of Employees)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Executive & General - Planning & Svc. Devel.	1	1	1	2
Transit Scheduling	15	4	4	5
Technical Support	30	34	33	37
Deputy CFO	0	0	2	0
Accounting	0	0	4	0
Cash Management	0	0	7	0
Financial Planning & Budgets	0	0	4	0
Grants and Capital Programs & Accounts Payable	0	0	9	0
Transit Amenities	0	0	14	15
Planning	11	26	10	10
Total Personnel	57	65	88	69

Planning and Development - Expenses by Category

Planning and Development	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 4,125,646	\$ 4,802,083	\$ 7,111,907	\$ 6,468,268	-9.05%
Total Fringe	\$ 720,753	\$ 738,619	\$ 17,614,450	\$ 979,482	-94.44%
Purchased Services	\$ 1,813,984	\$ 1,791,831	\$ 2,490,392	\$ 3,340,000	34.12%
Materials and Supplies	264,359	326,981	582,578	255,000	-56.23%
Utilities	-	-	260	-	-100.00%
Casualty & Liability	-	-	4,594,383	-	-100.00%
ACCESS	-	-	31,573,816	-	-100.00%
Other Expenses	105,262	90,735	1,788,696	97,920	-94.53%
Leases & Rentals	-	-	1,225	10,000	716.46%
Transfers and Capitalizations	(1,678,049)	(2,224,274)	(195,816,153)	(184,000)	-99.91%
TOTAL NET EXPENSE	5,351,955	5,525,974	(130,058,446)	10,966,670	-108.43%

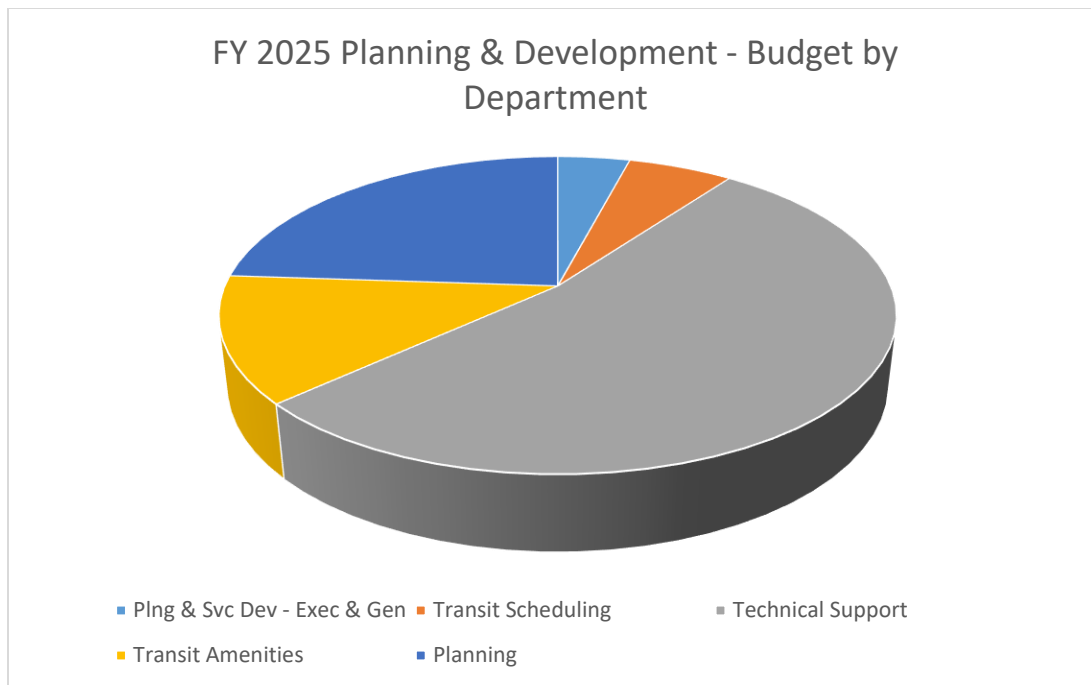
Chart 24



Planning and Development – Expenses by Department

Planning and Development 70	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Plng & Svc Dev - Exec & Gen	267,621	267,049	259,505	450,447	73.58%
Transit Scheduling	1,407,955	633,276	552,258	655,599	18.71%
Technical Support	2,346,138	2,251,634	2,201,758	5,829,507	
Department of Deputy CFO	-	-	360,714	-	-100.00%
Accounting	-	-	299,184	-	-100.00%
Cash Management	-	-	1,169,478	-	-100.00%
Financial Planning & Budgets	-	-	399,286	-	-100.00%
General Administration Expense	-	-	(138,291,152)	-	-100.00%
Grants & Capital Programs	-	-	730,693	-	-100.00%
Transit Amenities	-	-	1,179,261	1,407,325	19.34%
Planning	1,330,241	2,374,015	1,080,570	2,623,792	142.82%
Total Expense	\$ 5,351,955	\$ 5,525,974	\$(130,058,446)	\$ 10,966,670	-108.43%

Chart 25



Planning and Development – FY 2024 Accomplishments

- ✓ Began construction on the University Line BRT Project
- ✓ Finalizing PRT's first Climate Action Plan
- ✓ Capital spending of \$199 million year to date is up \$91 million over FY 2022

Planning and Development – FY 2025 Objectives

- ❖ Begin 5-year rail service investment projects.
- ❖ Advance Phase 2 of BRT in Oakland and Uptown.
- ❖ Begin Corridor G River to River corridor planning.
- ❖ Complete planning for Bus line Redesign.
- ❖ Acquire simmeseat bus stop signs and begin installation.

Legal and Corporate Services

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

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

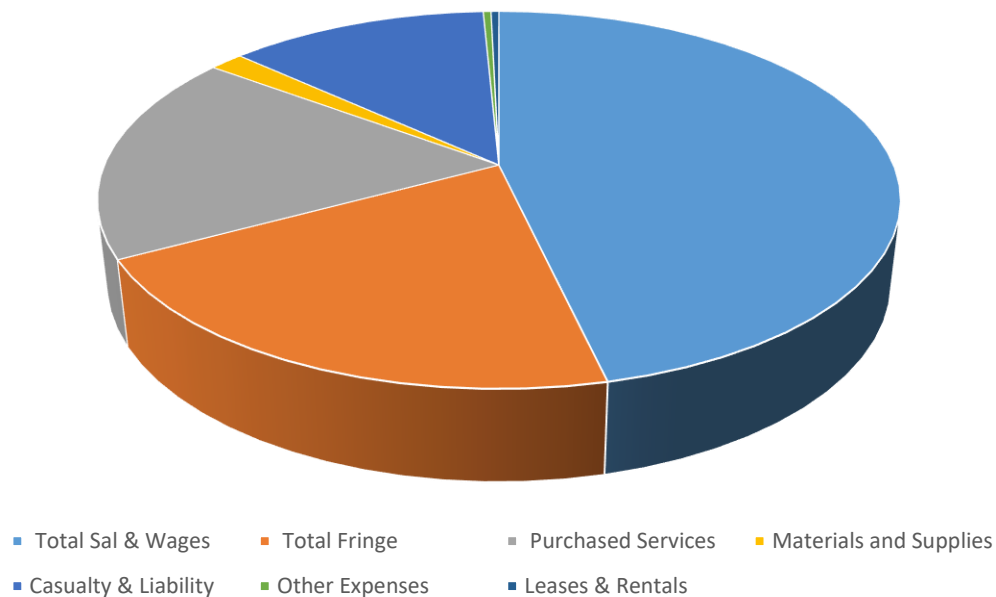
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Legal and Consulting Services	9	11	12	12
Claims and Workers Compensation	10	13	11	14
Internal Audit	5	6	5	6
System Safety	8	9	9	10
Transit Police and Security	55	46	46	62
Total Personnel	87	85	83	104

Legal and Corporate Services - Expenses by Category

Legal and Corporate Services	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 6,300,695	\$ 6,391,258	\$ 6,938,959	\$ 9,162,704	32.05%
Total Fringe	\$ 2,496,866	\$ 2,919,406	\$ 3,377,144	\$ 4,101,659	21.45%
Purchased Services	\$ 2,272,519	\$ 3,127,803	\$ 2,936,296	\$ 3,557,200	21.15%
Materials and Supplies	213,125	242,921	231,057	322,400	39.53%
Casualty & Liability	836,122	1,130,603	1,860,852	2,465,000	32.47%
Other Expenses	69,365	47,201	48,221	73,700	52.84%
Leases & Rentals	82,487	68,894	81,749	75,000	-8.26%
Transfers and Capitalizations	(70,303)	(46,555)	(150,656)	-	-100.00%
TOTAL NET EXPENSE	12,200,876	13,881,531	15,323,622	19,757,663	28.94%

Chart 26

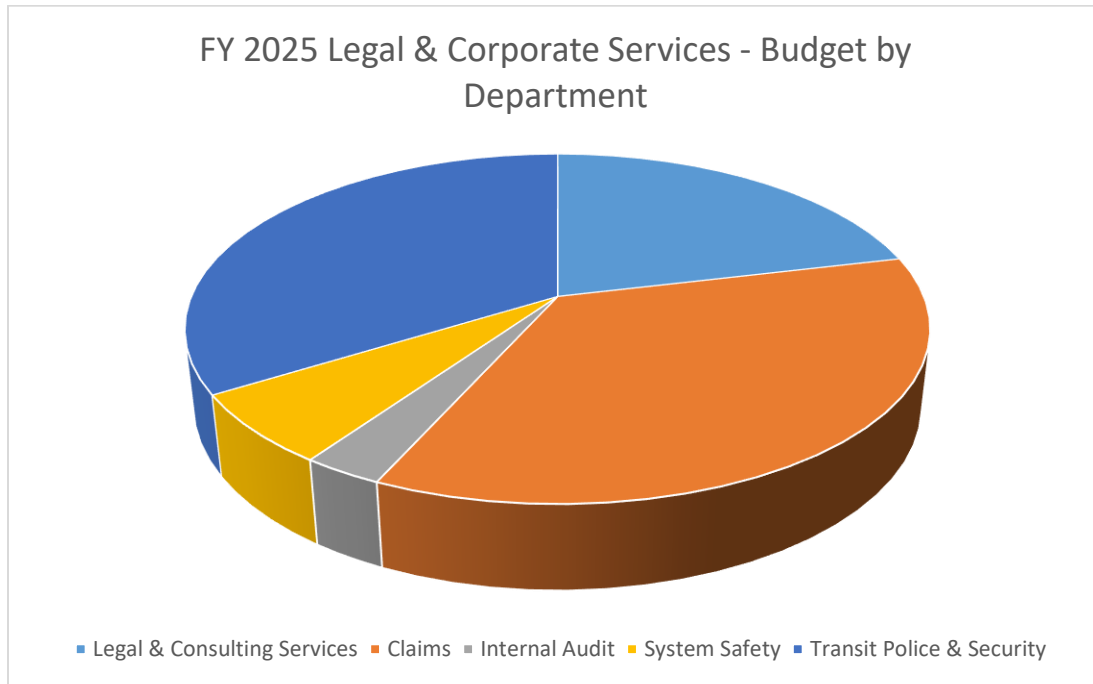
FY 2025 Legal and Corporate Services - Budget by Category



Legal and Corporate Services - Expenses by Department

Legal and Corporate Services 80	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Legal & Consulting Services	2,770,624	3,076,002	3,547,017	4,202,027	18.47%
Claims	3,776,187	5,073,534	5,941,582	7,004,619	17.89%
Internal Audit	382,511	427,034	531,876	588,292	10.61%
System Safety	792,592	881,086	902,451	1,277,336	41.54%
Transit Police & Security	4,478,962	4,423,873	4,400,695	6,685,389	51.92%
Total Expense	\$ 12,200,876	\$ 13,881,531	\$ 15,323,622	\$ 19,757,663	28.94%

Chart 27



Legal and Corporate Services – FY 2024 Accomplishments

- ✓ Completed the acquisition of approximately 98% of the right-of-way required for Phase II (Uptown-Oakland) of the University Line / BRT Project.
- ✓ Completed approval and adoption of the 2023 updated Agency Safety Plan.
- ✓ Received Board approval and began completion of FY 2024-2025 Internal Audit Work Plan.

Legal and Corporate Services – FY 2025 Objectives

- ❖ Complete acquisition of remaining right-of-way for University Line / BRT Project
- ❖ Implement non-paper driven processes for Worker's Compensation unit.
- ❖ Complete CY 2024 Safety and Security Plan updates and FY 2025-26 Internal Audit Work Plan drafting and adoption.

Agency Innovation Services

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

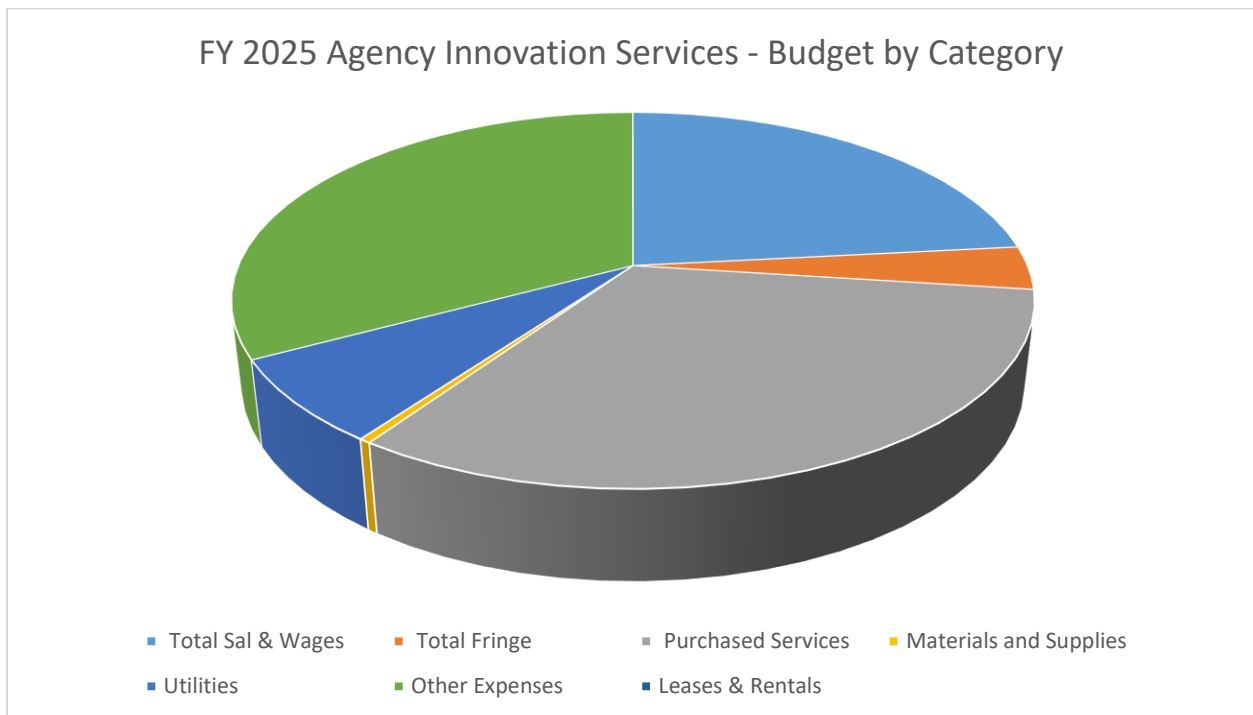
Agency Innovation Services – Personnel (No. of Employees)

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
Executive & General - I.T.	2	2	2	2
Customer Engagement	3	3	3	3
Procurement	0	0	25	28
I.T. Transportation Technology	6	7	7	7
I.T. Enterprise Software	14	14	14	18
I.T. Infrastructure & Support	13	13	12	14
Data & Info Analytics	0	0	4	5
Total Personnel	38	39	67	77

Agency Innovation Services - Expenses by Category

Agency Innovation Services	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Total Sal & Wages	\$ 3,018,328	\$ 3,297,871	\$ 5,304,891	\$ 6,624,748	24.88%
Total Fringe	\$ 504,468	\$ 515,352	\$ 868,316	\$ 1,055,808	21.59%
Purchased Services	\$ 5,065,982	\$ 5,593,103	\$ 6,817,514	\$ 9,233,800	35.44%
Materials and Supplies	8,766	7,559	18,101	114,300	531.47%
Utilities	1,599,968	1,495,324	1,496,075	2,040,000	36.36%
Other Expenses	3,547,026	6,022,616	6,266,512	9,327,050	48.84%
Leases & Rentals	-	-	825	2,000	142.42%
TOTAL NET EXPENSE	13,744,536	16,931,825	20,772,233	28,397,706	36.71%

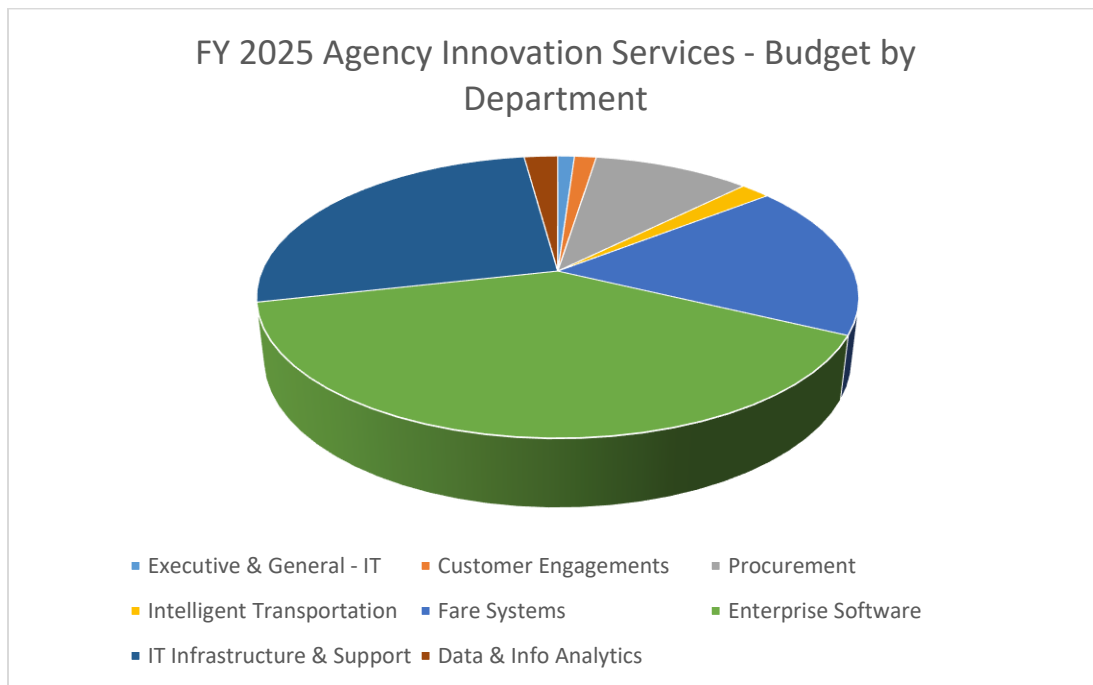
Chart 28



Agency Innovation Services – Expenses by Department

Agency Innovation Services 90	FY2022 Audited	FY2023 Audited	FY2024 Actual	FY2025 Budget	Percent Change Budget Over Actuals
Executive & General - IT	263,490	269,438	290,886	303,475	4.33%
Customer Engagements	283,068	259,720	250,664	397,265	58.49%
Procurement	-	-	2,228,250	2,860,151	28.36%
Intelligent Transportation	390,383	464,436	445,625	542,819	21.81%
Fare Systems	3,395,618	3,174,051	3,784,773	5,024,360	32.75%
Enterprise Software	5,064,525	7,290,825	8,462,778	11,173,204	32.03%
IT Infrastructure & Support	4,347,453	5,473,355	4,952,682	7,486,028	51.15%
Data & Info Analytics	-	-	356,575	610,404	71.19%
Total Expense	\$ 13,744,536	\$ 16,931,825	\$ 20,772,233	\$ 28,397,706	36.71%

Chart 29



Agency Innovation Services – FY 2024 Accomplishments

- ✓ Ready2Ride activated on rail system and is now available on all three modes.
- ✓ Activated Okta multifactor authentication for information security.

Agency Innovation Services – FY 2025 Objectives

- ❖ Fare Refresh project – Account Based Ticketing on Masabi / Ready2Ride.
- ❖ Continue work toward Digital Communications along rail and busway stations.
- ❖ Activate new internal intranet service, CrossroadsOnline.
- ❖ Gain National Transit Database approval of Automatic Passenger Counters on rail.

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



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

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

Pittsburgh Regional Transit - Modal Budget

FY 2025

Pittsburgh Regional Transit’s modal budget is presented as a component of the Operating and Capital Improvement Budgets. The purpose of the modal budget is to present the revenue and expense levels related to the modes of service provided by the Agency. The modes of service provided are bus, light rail, inclined plane, and the ACCESS Program. The ACCESS program, or ACCESS, is a demand response, paratransit service provided for elderly and handicapped persons. ACCESS is operated on behalf of PRT by the management firm Transdev. Each of the modes will be discussed individually in this section. A table is provided for each mode that indicates total ridership, revenue, and expense levels for the FY 2022, 2023, 2024, and 2025. In addition, graphs illustrating revenue, expense and ridership amounts are presented for comparative purposes.

Modal ridership data for FY 2022 through 2024 were calculated using monthly ridership reports. Anticipated ridership levels for FY 2025 were developed by Pittsburgh Regional Transit’s Service Planning and Schedules department in collaboration with Financial Planning and Budgets for the bus, light rail, and inclined plane modes. Transdev (ACCESS) furnished detailed ridership information for the FY 2022 through 2024 and developed the FY 2025 projections for the demand response service.

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

The table on the following page represents a comparative summary of Pittsburgh Regional Transit’s revenues and expenses by each of the modes for FY 2022, 2023, 2024, and 2025.

COMPARATIVE SUMMARY BY MODE

FY 2022 Actual, FY 2023 Actual, FY 2024 Actual, and FY 2025 Budget

	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 BUDGET
Operating Revenues:				
Bus	\$45,825,000	\$53,840,000	\$ 59,078,000	\$ 61,078,000
Light Rail	3,536,000	5,354,000	6,288,000	6,536,000
Monongahela Incline	565,000	276,000	463,000	555,000
ACCESS Program	7,721,000	8,660,000	9,265,000	10,331,000
Subtotal	\$ 57,647,000	\$ 68,130,000	\$ 75,094,000	\$ 78,500,000
Operating Grants	288,472,000	312,000,000	331,705,000	400,641,000
Capitalizations	106,821,000	236,615,000	208,539,000	60,126,000
Total Revenue & Grants:	\$ 452,940,000	\$ 616,745,000	\$ 615,338,000	\$ 539,267,000
Expenses:				
Bus	\$345,980,000	\$ 369,020,000	\$ 386,968,000	\$ 416,747,000
Light Rail	73,978,000	78,715,000	81,087,000	87,035,000
Monongahela Incline	1,486,000	1,379,000	1,463,000	1,525,000
ACCESS Program	27,807,000	30,227,000	31,574,000	33,960,000
Total Expenses:	\$449,251,000	\$ 479,341,000	\$ 501,092,000	\$ 539,267,000
Excess Revenue over Expense:	\$ 3,689,000	\$ 137,404,000	\$ 114,246,000	\$ -

Bus Mode

Bus service is the largest of the transportation services provided by Pittsburgh Regional Transit. The active bus fleet as of June 2024 consists of (30) 35-foot vehicles, (523) 40-foot vehicles, (8) Electric Battery 40-foot vehicles, (5) Electric Battery 60-foot vehicles, and (131) 60-foot articulated buses. The four bus garage locations where service originates are located in the following communities: Ross Township, Collier Township, West Mifflin Borough and Pittsburgh (East Liberty area). Pittsburgh Regional Transit's Main Shop, located in the Manchester neighborhood of the City of Pittsburgh, is a large facility where component rebuilding and major bus repairs are performed.



For this mode of transportation, FY 2025 ridership is projected to increase about 7.3%, compared to FY 2024 actual ridership levels. The contractual transit agreements between Pittsburgh Regional Transit and the University of Pittsburgh, Carnegie Mellon University, Chatham University, Duquesne University, and Carlow University will assist in maintaining ridership levels. Pittsburgh Regional Transit actively pursues partnerships with local businesses and institutions, such as the highly successful transportation programs with the local universities, to increase services provided.

For FY 2025, total bus revenues are projected to increase by 3.4% above FY 2024 actuals. This increase in revenues is due to a projected increase in passenger ridership that are not senior citizens. Other revenues consist of Advertising and other non-transportation related revenues. PRT continues to explore partnerships with institutions in the region that will improve utilization of the current fleet. Also, Pittsburgh Regional Transit has placed an increased emphasis on customer service and the rider's experience. Importance was placed on Pittsburgh Regional Transit making a positive impression on first time riders as well as improving the experience for existing customers. Retaining existing consumers, while attracting those who are contemplating making a permanent switch to public transportation, will lead to increased ridership and revenue into the future.

Overall, expenses are expected to increase over FY 2024 levels by 7.7%. Contractual increases in salaries and wages, increases in diesel fuel costs, and increased staffing levels make up a large portion of these additional expenses. However, there are projected increases in materials and supplies, utilities, purchased services, and other expense. Within the category of other expenses, the estimated increase is due to the additional costs associated with the expansion of technology to enhance the service provided to our riders.

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

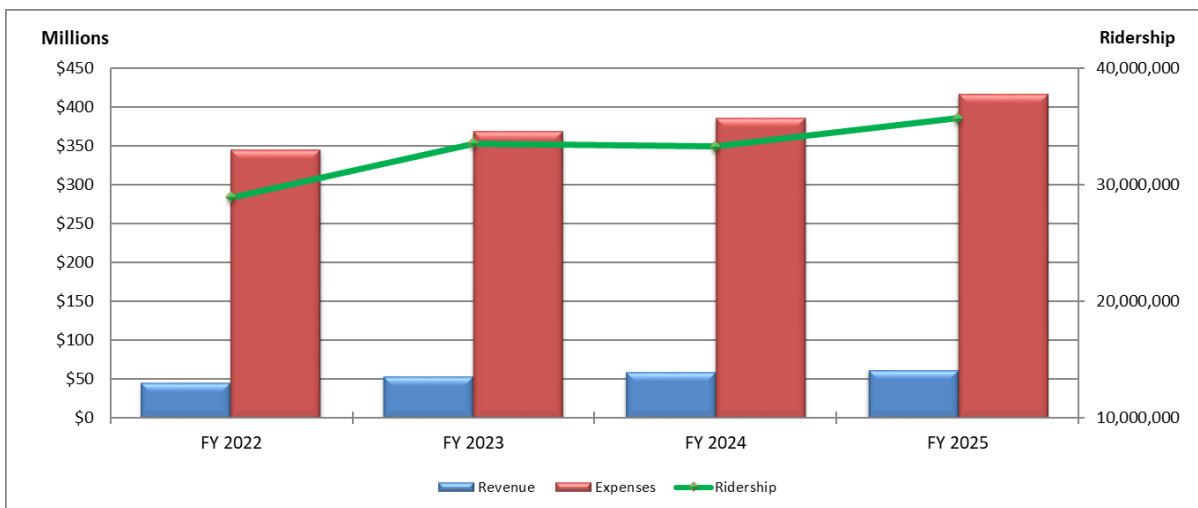
Bus Mode

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY25 Inc/Dec
<u>RIDERSHIP</u>					
Non-Seniors	26,532,000	30,385,000	29,848,000	32,162,000	
Seniors	2,414,000	3,188,000	3,422,000	3,547,000	
Total Ridership	28,946,000	33,573,000	33,270,000	35,709,000	7.3%

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY25 Inc/Dec
<u>REVENUES</u>					
Passenger Revenue	\$ 43,054,000	\$ 48,206,000	\$ 51,410,000	\$ 55,545,000	
Other	2,771,000	5,634,000	7,614,000	5,533,000	
Total Revenue	\$45,825,000	\$53,840,000	\$59,024,000	\$61,078,000	3.5%

<u>EXPENSES</u>					
Salaries & Wages	\$ 150,533,000	\$ 154,466,000	\$ 159,232,000	\$ 172,059,000	
Fringe Benefits	133,627,000	137,070,000	146,051,000	139,505,000	
Materials & Supplies	36,421,000	45,425,000	46,534,000	53,887,000	
Prov for Inj & Damages	3,545,000	4,590,000	5,935,000	7,718,000	
Purchased Services	11,643,000	13,773,000	14,395,000	22,069,000	
Utilities	3,502,000	3,590,000	3,955,000	5,042,000	
Other Expenses	6,709,000	10,106,000	10,867,000	16,467,000	
Total Expense	\$345,980,000	\$369,020,000	\$386,969,000	\$ 416,747,000	7.7%

Chart 30



Light Rail Mode

Pittsburgh Regional Transit's Light Rail Transit (LRT) System includes 51.2 miles of track and 80 light rail vehicles (LRVs). The LRT system includes a downtown subway system that provides service from Pittsburgh's South Hills to the downtown area. In March 2012, the Authority's 2.1 mile extension to



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

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

The ridership projections for FY 2025 are expected to increase by 8% from FY 2024 actual ridership levels and represent an increase of 67% over FY 2022 actual levels. The continued additional weekday travel and increased riders using the LRT system to travel to and from special events in downtown Pittsburgh include sporting events, concerts, and Light Up Night will aid in reaching targeted ridership and potentially push beyond as in the prior year.

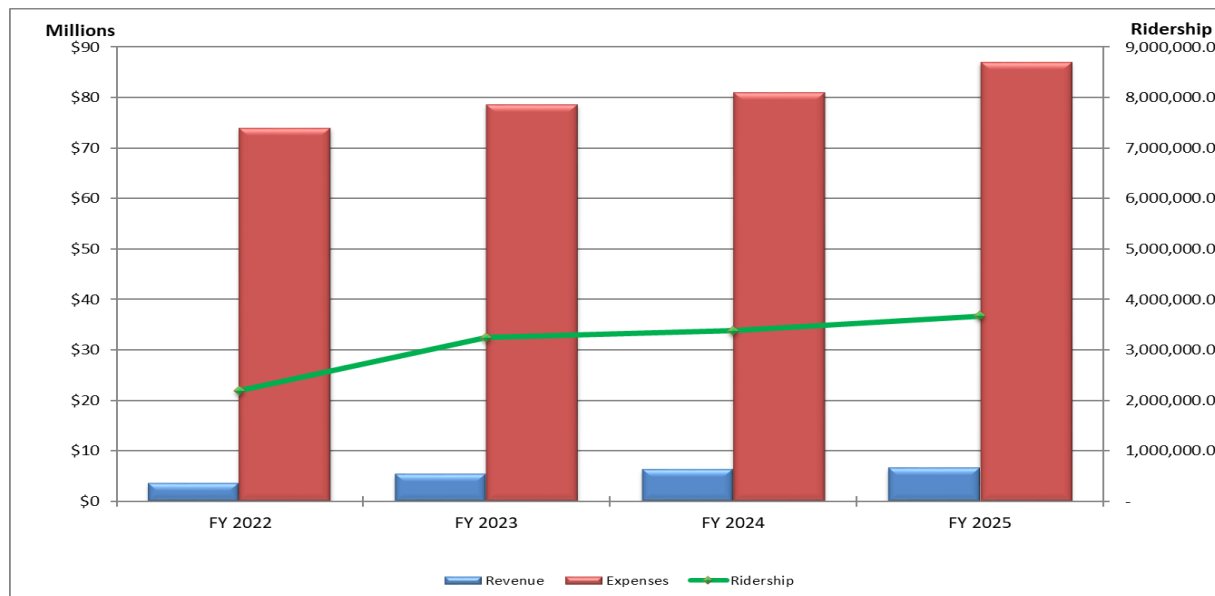
Total Revenues in FY 2025 are expected to increase by about 3.3% and expenses are expected to increase by 7.3% over FY 2024 levels. Similar to bus mode, the majority of the increase is due to the contractual increases in salaries and wages, continued escalation of pension costs, and increased staffing levels. There are also projected smaller increases in materials and supplies, provision for injuries & damages, purchased services, utilities, and other expenses.

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

Light Rail Mode

	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY25 Inc/Dec
<u>RIDERSHIP</u>					
Non-Seniors	2,047,000	3,022,000	3,199,000	3,442,000	
Seniors	148,000	222,000	198,000	233,000	
Total Ridership	2,195,000	3,244,000	3,397,000	3,675,000	8.2%
	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY25 Inc/Dec
<u>REVENUES</u>					
Passenger Revenue	\$ 3,322,000	\$ 4,794,000	\$ 5,511,000	\$ 5,944,000	
Other	214,000	560,000	816,000	592,000	
Total Revenue	\$ 3,536,000	\$ 5,354,000	\$ 6,327,000	\$ 6,536,000	3.3%
<u>EXPENSES</u>					
Salaries & Wages	\$ 32,791,000	\$ 34,742,000	\$ 34,300,000	\$ 37,063,000	
Fringe Benefits	29,052,000	30,660,000	31,446,000	30,037,000	
Materials & Supplies	4,869,000	4,923,000	6,494,000	7,520,000	
Prov for Inj & Damages	184,000	268,000	318,000	414,000	
Purchased Services	2,569,000	2,914,000	3,146,000	4,822,000	
Utilities	3,453,000	4,158,000	4,069,000	5,187,000	
Other Expenses	1,060,000	1,050,000	1,314,000	1,992,000	
Total Expense	\$ 73,978,000	\$ 78,715,000	\$ 81,087,000	\$ 87,035,000	7.3%

Chart 31



Incline Mode

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



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

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

Ridership on the Mon Incline is anticipated to increase in FY 2025 compared to actuals from the prior two years. The increase is projected as there continues to be a rebound from pandemic lows with more business moving towards a hybrid work schedule and the desire for people to get back to traveling and enjoying special events throughout the city. FY 2024 ridership was significantly higher compared to FY 2023 due to a 5-month closure for maintenance repairs. As a result, FY 2024 saw a significant increases in ridership and revenues and similar levels are anticipated in FY 2025.

As with the other modes of transportation, expenses for the Mon Incline are also expected to increase. Pittsburgh Regional Transit has budgeted for a 4.2% increase in expenses, primarily due to increases in salaries & wages, fringe benefits, purchased services and Other Expenses costs. Purchased services are driven by the increased outside contracting work for the Incline and its systems. The increase in utilities is due to the additional costs associated with the propulsion of the incline cars.

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

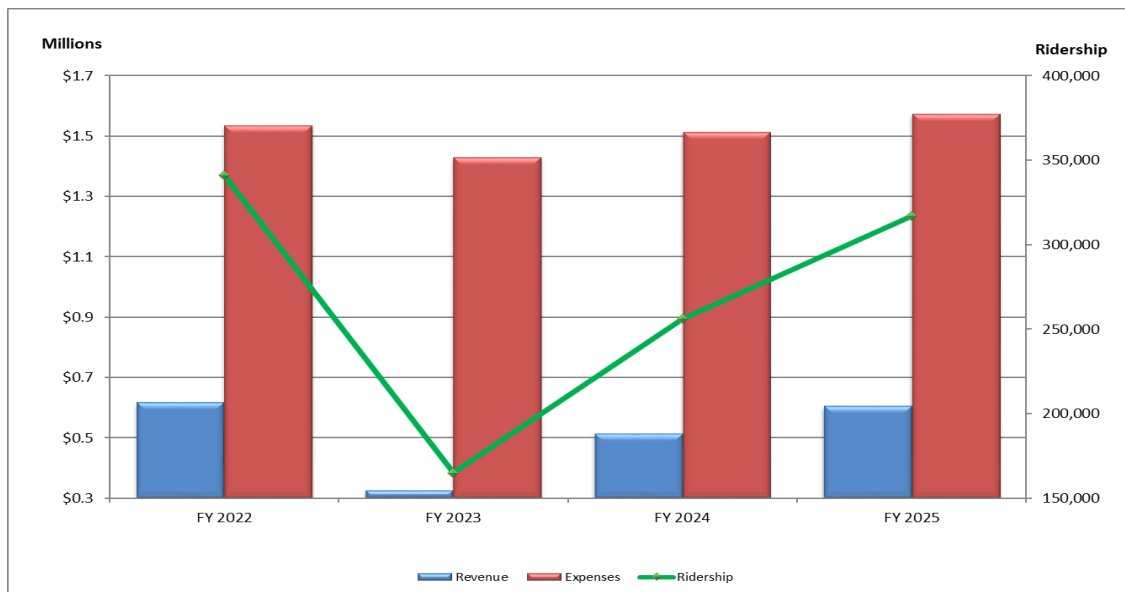
Incline Plane Mode

	<u>FY 2022</u> <u>Actual</u>	<u>FY 2023</u> <u>Actual</u>	<u>FY 2024</u> <u>Actual</u>	<u>FY 2025</u> <u>Budget</u>	<u>FY25</u> <u>Inc/Dec</u>
<u>RIDERSHIP</u>					
Non-Seniors	327,000	156,000	242,000	292,000	
Seniors	14,000	9,000	22,000	25,000	
Total Ridership	341,000	165,000	264,000	317,000	20.1%

	<u>FY 2022</u> <u>Actual</u>	<u>FY 2023</u> <u>Actual</u>	<u>FY 2024</u> <u>Actual</u>	<u>FY 2025</u> <u>Budget</u>	<u>FY25</u> <u>Inc/Dec</u>
<u>REVENUES</u>					
Passenger Revenue	\$ 531,000	\$ 247,000	\$ 417,000	\$ 505,000	
Other	34,000	29,000	62,000	50,000	
Total Revenue	\$ 565,000	\$ 276,000	\$ 479,000	\$ 555,000	15.9%

	<u>FY 2022</u> <u>Actual</u>	<u>FY 2023</u> <u>Actual</u>	<u>FY 2024</u> <u>Actual</u>	<u>FY 2025</u> <u>Budget</u>	<u>FY25</u> <u>Inc/Dec</u>
<u>EXPENSES</u>					
Salaries & Wages	\$ 733,000	\$ 697,000	\$ 715,000	\$ 773,000	
Fringe Benefits	671,000	597,000	646,000	617,000	
Materials & Supplies	18,000	34,000	33,000	39,000	
Prov for Inj & Damages	2,000	2,000	3,000	3,000	
Purchased Services	24,000	12,000	19,000	30,000	
Utilities	28,000	24,000	30,000	38,000	
Other Expenses	10,000	13,000	17,000	25,000	
Total Expense	\$ 1,486,000	\$ 1,379,000	\$ 1,463,000	\$ 1,525,000	4.2%

Chart 32



ACCESS Mode

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

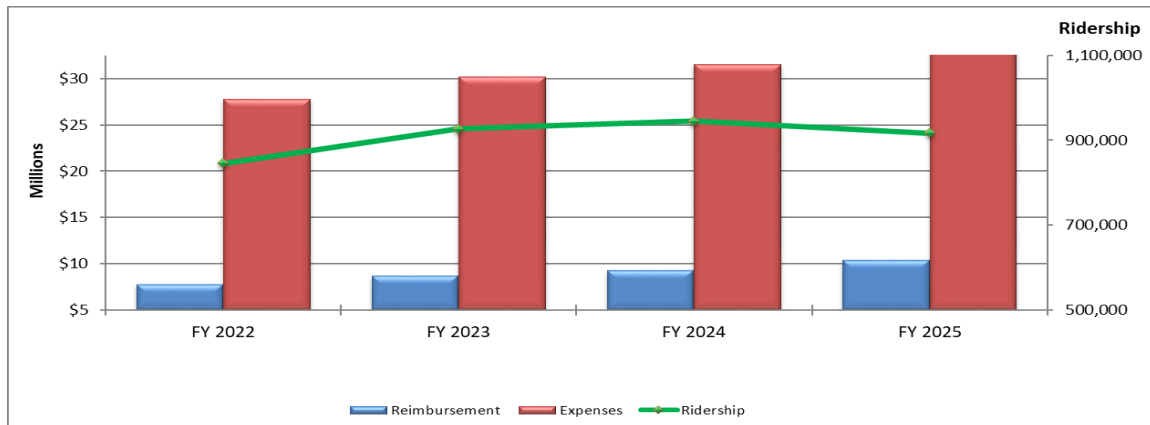
Since ACCESS is a contracted carrier for PRT, only \$33 million of expenses is expected to pass through PRT's budget. Likewise, only \$10.3 million is reimbursed to Pittsburgh Regional Transit from the Commonwealth's Senior Citizen Fare Assistance Program for ACCESS senior ridership.

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

ACCESS MODE

	<u>FY 2022 Actual</u>	<u>FY 2023 Actual</u>	<u>FY 2024 Actual</u>	<u>FY 2025 Budget</u>	<u>FY25 Inc/Dec</u>
<u>RIDERSHIP</u>					
Sr. Citizen Passengers	360,895	404,921	423,376	400,874	
Other Originating Pass.	484,970	521,830	521,973	516,154	
Total Ridership	845,865	926,751	945,349	917,028	-3.0%
	<u>FY 2022 Actual</u>	<u>FY 2023 Actual</u>	<u>FY 2024 Actual</u>	<u>FY 2025 Budget</u>	<u>FY25 Inc/Dec</u>
<u>REIMBURSEMENTS</u>					
ACCESS Prgm Reimbursement	\$ 7,721,000	\$ 8,660,000	\$ 9,265,000	\$ 10,331,000	11.5%
<u>EXPENSES</u>					
ACCESS Prgm Expense	\$ 27,807,000	\$ 30,227,000	\$ 31,574,000	\$ 33,960,000	7.6%

Chart 33



Pittsburgh Regional Transit - Physical Plant

FY 2025

Administrative Headquarters

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

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

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

Operating Divisions

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

Ross Division

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

Collier Division

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

East Liberty Division

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

West Mifflin

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

Manchester

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

South Hills Village Rail Center

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

South Hills Junction

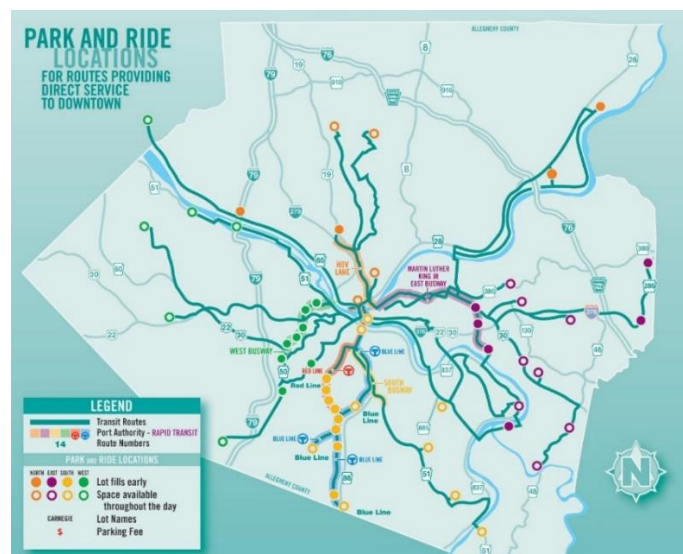
The Junction is comprised of five buildings which house the Non-Revenue Vehicles, Facilities, LRT Systems and Power, and the Way Departments. These departments are responsible for maintaining the fixed assets of Port Authority: fixed guideways (rail, incline, busways), power and signaling operation,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

Busways

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

Park and Ride Lots

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



Light Rail (T System)

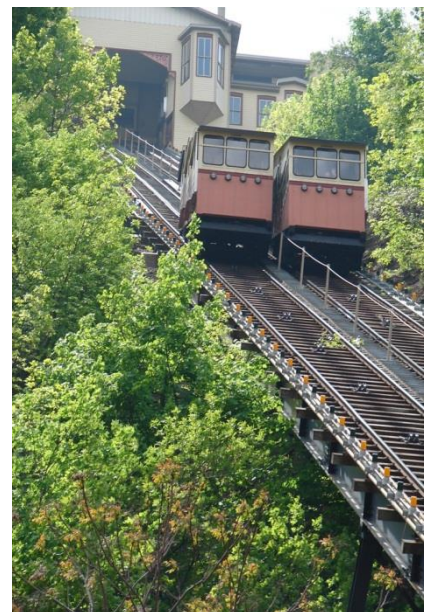


The T is a 52.4-mile light rail system that runs from the North Shore and Downtown Pittsburgh through Pittsburgh's southern neighborhoods and many South Hills suburbs.



Monongahela Incline

The incline is a popular tourist attraction that also serves daily commuters. The upper station is in the city's Mt. Washington neighborhood and the lower station is located at Station Square, where riders may transfer to the T.



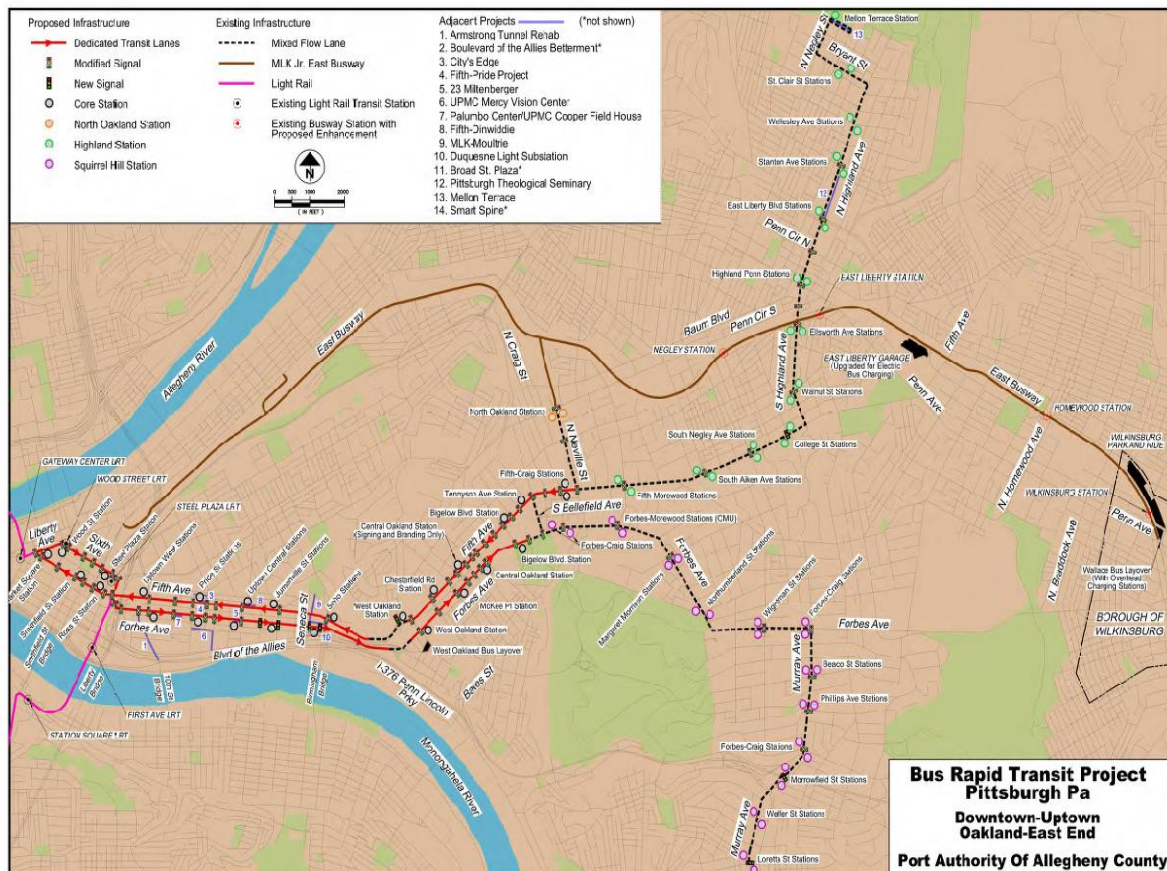
Bus Rapid Transit (BRT)

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

