

FINANCE COMMITTEE MEETING

January 20, 2022

Board Committee Members

Ann Ogoreuc, Chair
Representative Austin Davis
Gerry Delon
Jeff Letwin

Other Board Member

Stephanie Turman
Michelle Zmijanac
Representative Lori Mizgorski
John Tague Jr.

1. Approval of Minutes:

The minutes of the November 10, 2021 Finance Committee Meeting were approved.

2. Proposed Resolutions:

Mr. Schenk presented the first resolution seeking Authorization to Apply for and Enter into Grant Agreements for Calendar Year 2022 Operating and Capital Funds. He explained that annually, the Authority applies for and enters into grants at a federal, state and local level.

Examples of this grant funding are: Section 5307 Urbanized Area Funding; Pennsylvania Department of Transportation 1513 Operating and 1514 Capital Funding; and Allegheny County and Regional Asset District Funding, as well as discretionary grants.

In many instances, the grants have tight deadlines for submission. This resolution would allow the Authority to apply for and enter into grants that become available in Calendar Year 2022.

It was explained that this resolution further requires staff to regularly report to the Finance Committee on grants that have been applied for and entered.

The Finance Committee agreed to recommend this resolution to the full Board.

The second resolution presented was seeking Authorization to Amend Agreement with Bank of America, NA to provide Merchant Card Services related to Automated Fare Collection Services.

These services include, but are not limited to, debit and credit card processing related to the Automated Fare Collection System.

It was reported that in June 2015, the Authority Board authorized a five-year agreement with Bank of America for a not-to-exceed amount of \$2,500,000.

The agreement also includes five additional option years at the Authority's sole discretion.

Staff reported that to date, the services provided by Bank of America have been satisfactory.

The Finance Committee agreed to recommend exercising the first option year, extending the agreement to January 30, 2023, and increasing the not-to-exceed amount by \$662,500.

3. Review of November and December 2021 Financial Statements

Also at the meeting, Controller, Peter Schenk reported on the November and December 2021 financial results.

He reported that Total Operating Income for the month of November was under budget by \$3.4 million and \$18.9 million under budget for the fiscal year. Both the monthly variance and fiscal year variance were due to lower Passenger Revenues from lower pandemic ridership levels.

All expense categories through November were below budget.

Total Subsidy for the month of November was \$3.1 million above budget due to higher State Operating Assistance.

For the month of December, Mr. Schenk reported that Total Income was \$5.13 million which was \$106,000 above November's total.

At the mid-point of the fiscal year, Total Operating Income is \$22.5 million below budget which will be addressed with the use of federal stimulus funding.

Total Expenses for the month of December were \$1 million below budget and \$27.7 million below budget at mid-year.

Total Subsidy at mid-year is \$2.2 million above budget at the mid-point of the fiscal year due to higher Preventive Maintenance invoicing.

Finally, it was reported that the Authority ended the month of December with approximately \$142 million in cash reserves.

With no further business, the meeting was adjourned.