

FINANCE COMMITTEE MEETING

March 16, 2023

Board Committee Members

Ann Ogoreuc, Chair (in-person)
Gerry Delon
Jen Liptak
Jeff Letwin

Other Board Member

Stephanie Turman
Lori Mizgorski
Michelle Zmijanac
John Tague (in-person)

1. Approval of Minutes

The minutes of the February 16, 2023 Finance Committee Meeting were approved.

2. Proposed Resolutions

The Committee reviewed on resolution to take to the full Board. The resolution will authorize the amendment of the FY 2023 Operating and Capital Budgets.

It was reported at the meeting that PRT is required to pass a balanced fiscal year Operating and Capital Budget pursuant to the Second-Class County Port Authority Act. The Board passed a resolution on June 24, 2022 that adopted balanced Operating and Capital Budgets beginning July 1, 2022 through June 30, 2023.

Since adoption of the Operating Budget, PRT has ratified a four-year contract with ATU Local 85 representing Operators, First-Level Supervisors and Claims and Maintenance personnel. This agreement, along with adjustments in other miscellaneous expense categories, will increase PRT's anticipated Operating Expenses in certain categories above the original FY 2023 Operating Budget. The additional expense will be offset by the use of additional American Rescue Plan Act funding.

It was also reported that the resolution will increase the FY 2023 Total Operating Budget from \$518,974,705 to \$525,779,342 as contained in Exhibit "A" to the resolution.

Since the adoption of the original FY 2023 Capital Budget, PRT has been notified it will be receiving additional Federal funding for the Downtown-Uptown-Oakland Bus Rapid Transit project. This additional Federal funding will permit previously budgeted Commonwealth funding to be re-purposed toward additional Capital projects.

The amended Capital Budget is detailed in Exhibit "B" to the resolution and increases the budget from \$232,865,463 to \$282,915,462.

This resolution would authorize PRT's adoption of the amended FY 2023 Operating and Capital Budgets.

The Finance Committee agreed to take the resolution to this month's meeting for the Board's consideration.

3. Financial Statements

The February financial results were also presented at the meeting.

It was reported that Total Operating Income for the month exceeded budget by \$892,439 due to higher Passenger Revenue and Interest Income. Passenger Revenues were higher due to Ticket Sales, Monthly Pass Sales and U-PASS sales exceeding budget for the month. For the fiscal year, Total Operating Income is \$1.5 million below budget due to lower Passenger Revenue and ACCESS Shared Ride Revenue which is partially offset by higher Interest Income.

February Total Expenses were below budget for the month by \$3.9 million. The category of Other Expense exceeded budget due to higher General Insurance and Building Lease Expense. All other expense categories were below budget for the month.

Total Expenses for the fiscal year are \$34 million below budget primarily due to lower Salary and Wages and Employee Benefits related to vacant positions as well as lower Purchased Services.

Total Subsidy for the month of February was \$618,774 below budget due to lower Vehicle Overhaul receipts and lower State Operating Assistance for ACCESS.

Total Subsidy through February is \$4.2 million below budget due to lower ARPA invoicing. An ARPA invoice of \$10.4 million was submitted in March which should bring Total Subsidy in line with budget.

Finally, it was reported that PRT ended the month of February with approximately \$169.2 million in cash reserves.

With no further business, the meeting was adjourned.