



TO: Finance Committee
Jennifer M. Liptak
Representative Austin A. Davis
Gerald Delon

FROM: Ann M. Ogoreuc, Chair

DATE: January 15, 2021

SUBJECT: Finance Committee Meeting – January 21, 2021

The next meeting of the Finance Committee is scheduled for Thursday, January 21, 2021, being held virtually via WebEx and conference call-in, immediately following the 8:30 a.m. Planning and Stakeholder Relations Committee meeting.

The preliminary agenda is as follows:

1. Approval of Minutes of the November 12, 2020 Finance Committee Meeting
2. Authorization to Apply for and Enter into Agreements for CY 2021 Operating and Capital Grant Funds (Pete Schenk)
3. November and December 2020 Financial Statements and Cash Flow (Pete Schenk)
4. CARES Act Reimbursement Update (Pete Schenk)
5. Adjourn

cc: Other Port Authority Board Members

FINANCE COMMITTEE MEETING
November 12, 2020

DRAFT

Board Committee Members

(all by WebEx)

Ann Ogoreuc, Chair
Jennifer Liptak
Jeff Letwin

Other Board Member

(all by WebEx)

John Tague
Michelle Zmijanac
Stephanie Turman
Rep. Lori Mizgorski
Senator Jim Brewster
Jessica Walls-Lavelle

1. Approval of Minutes:

The minutes of the October 15, 2020 Finance Committee Meeting were approved.

2. October 2020 Financial Statements:

Chief Financial Officer Peter Schenk reported on the October 2020 Financial Statements. He reported that for the month of October, Total Operating Income was \$5.7 million under budget.

Total Operating Income for the fiscal year continues to be under budget by a total of \$22.5 million. Every revenue category is below budget through the first four months of the fiscal year. Lower Passenger Revenue and ACCESS Program Service Revenue constitute the majority of this shortfall.

Mr. Schenk noted that this shortfall in Total Operating Income will indirectly be covered by CARES Act Funding. He added that the Authority submitted another CARES Act invoice for approximately \$4.8 million which takes total CARES Act Invoicing to \$36.3 million.

Total Expenses for the month were \$3.7 million under budget and \$17.6 million under budget for the fiscal year, noting that every expense category other than Salary and Wages was below budget.

Mr. Schenk explained that for every dollar under budget, the Authority will use one dollar less of the \$42 million in Deferred Revenue budgeted to balance the FY 2021 Budget. Total Subsidy for October was \$626,841 below budget due to a shortfall in Vehicle Overhaul funding which won't be received in FY 2021 without new State Capital Funding. Total Subsidy from a fiscal year-to-date perspective is \$1.5 million above budget due to CARES ACT Funding.

Finally, Mr. Schenk reported that the Authority ended the month of October with \$139.6 million in Operating Reserves.

With no further business, the meeting was adjourned.

SUMMARY OF RESOLUTION

Authorization to Apply for and Enter into Agreements for CY 2021 Operating and Capital Grant Funds

On an annual basis, Port Authority of Allegheny County (Authority) applies for and enters into agreements with various federal, state and local governments and other entities, including the Federal Transit Administration (FTA), the Federal Department of Homeland Security, the Pennsylvania Department of Transportation (PENNDOT), Allegheny County (County), the Allegheny County Regional Asset District (RAD) and the Southwestern Pennsylvania Commission for various grants to support the Authority's operating and capital budgets.

These grants include, but are not necessarily limited to, formula program grants administered by FTA for Section 5303 Metropolitan Planning funding, Section 5307 Urbanized Area Formula Program funding, Section 5307 Flex Program funding, Section 5310 Enhanced Mobility for Seniors funding, Section 5337 State of Good Repair Program funding, Section 5339 Bus and Bus Rail Facilities Formula Program funding, along with related local match funding from PENNDOT and County (Federal Formula Grants). These grants also include, but are not necessarily limited to, formula program grants administered by PENNDOT for the Commonwealth of Pennsylvania for Section 1513 operating assistance and Section 1514 capital assistance pursuant to the provisions of Act 89 of 2013, along with related local match funding from County and RAD (State Formula Grants).

In addition to Federal Formula Grants and State Formula Grants, the Authority is eligible, from time to time, to apply for and enter into agreements for various discretionary grants that may become available throughout the calendar year, including, but not necessarily limited to, Federal Transit Security Grant funding, Federal Low or No Emission Program funding, Federal Congestion Mitigation Air Quality funding and Commonwealth of Pennsylvania Multi-Modal Transportation funding, along with discretionary grants that may be offered by private and non-profit entities and related local match requirements (Discretionary Program Grants).

In many instances, the time period for developing and submitting the application for a grant is limited requiring the Authority to move promptly in order to timely submit the application for available funds. This resolution will allow the Authority to submit applications for the grants that become available in CY 2021 in a timely fashion. Specifically, this resolution authorizes the Authority's chief executive officer, chief financial officer, director Grants and Capital Programs and chief development officer to apply for and enter into grant agreements for Federal Formula Grants, State Formula Grants and Discretionary Program Grants that the Authority is eligible for, or may become eligible for, in CY 2021 to support the Authority's operating and capital budgets.

This resolution further requires the Authority's chief financial officer to provide regular reports to the Finance Committee of the Authority's Board concerning grants applied for and awarded to the Authority during CY 2021.

RESOLUTION

WHEREAS, on an annual basis, Port Authority of Allegheny County (Authority) applies for and enters into agreements with federal, state and local governments and other entities for various grants to support the Authority's operating and capital budgets; and

WHEREAS, these grants include, but are not necessarily limited to, formula program grants administered by the Federal Transit Administration (FTA) for Section 5303 Metropolitan Planning funding, Section 5307 Urbanized Area Formula Program funding, Section 5307 Flex Program funding, Section 5310 Enhanced Mobility for Seniors funding, Section 5337 State of Good Repair Program funding and Section 5339 Bus and Bus Rail Facilities Formula Program funding, along with related local match funding from the Pennsylvania Department of Transportation (PENNDOT) and Allegheny County (County) (Federal Formula Grants); and

WHEREAS, these grants also include, but are not necessarily limited to, formula program grants administered by PENNDOT for the Commonwealth of Pennsylvania for Section 1513 operating assistance and Section 1514 capital assistance pursuant to the provisions of Act 89 of 2013, along with related local match funding from County and the Allegheny County Regional Asset District (State Formula Grants); and

WHEREAS, in addition, the Authority is eligible, from time to time, to apply for and enter into agreements for various discretionary grants that may become available throughout the calendar year, including, but not necessarily limited to, Federal Transit Security Grant funding, Federal Low or No Emission Program funding, Federal Congestion Mitigation Air Quality funding and Commonwealth of Pennsylvania Multi-Modal Transportation funding, along with discretionary grants that may be offered by private and non-profit entities and related local match requirements (Discretionary Program Grants).

NOW, THEREFORE, BE IT RESOLVED, that the Authority's chief executive officer, chief financial officer, director Grants and Capital Programs and chief development officer be, and hereby are, authorized to: apply for and enter into grant agreements for Federal Formula Grants, State Formula Grants and Discretionary Program Grants that the Authority is eligible for, or may become eligible for, in CY 2021 to support the Authority's operating and capital budgets; file applications and enter into agreements for any required matching funding for such grants; and take any and all such other actions as may be necessary and proper to carry out the purpose and intent of this resolution.

FURTHER RESOLVED that the Authority's chief financial officer shall provide regular reports to the Finance Committee of the Authority's Board concerning grants applied for and awarded to the Authority during CY 2021.

NOVEMBER 2020 FINANCIAL STATEMENTS



Port Authority of Allegheny County
CONSOLIDATED STATEMENT OF NET POSITION
For the Current Period
As of November 30, 2020

	<u>OPERN</u>	<u>CAPTL</u>	<u>TOTAL</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents	\$ 111,351,228.82	\$ 25,907,595.52	137,258,824.34
Capital grants receivable	-	11,792,065.10	11,792,065.10
Other receivables	4,328,438.69	0.00	4,328,438.69
Prepaid expenses	2,078,368.63	-	2,078,368.63
Materials & supplies	18,455,525.20	-	18,455,525.20
Total Current Assets	<u>136,213,561.34</u>	<u>37,699,660.62</u>	<u>173,913,221.96</u>
NONCURRENT ASSETS			
Restricted assets for capital additions and related debt	-	17,961,088.38	17,961,088.38
Designated for reserve fund	40,471,824.00	-	40,471,824.00
Capital assets, net of accumulated depreciation	-	1,224,704,303.24	1,224,704,303.24
Total Non-Current Assets	<u>40,471,824.00</u>	<u>1,242,665,391.62</u>	<u>1,283,137,215.62</u>
TOTAL ASSETS	<u>\$ 176,685,385.34</u>	<u>\$ 1,280,365,052.24</u>	<u>\$ 1,457,050,437.58</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred charge on refunding	-	6,517,161.85	6,517,161.85
Related to pensions	106,098,500.00	-	106,098,500.00
Related to OPEB	115,177,734.00	-	115,177,734.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 221,276,234.00</u>	<u>\$ 6,517,161.85</u>	<u>\$ 227,793,395.85</u>
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	13,860,333.17	910,403.44	14,770,736.61
Accrued compensation, benefits & withholdings	15,023,557.48	-	15,023,557.48
Unearned revenue	135,314,193.82	33,571,067.41	168,885,261.23
Reserves for claims & settlements	6,456,215.00	-	6,456,215.00
Current portion of bond payable	-	13,830,000.00	13,830,000.00
Other current liabilities	-	2,063,971.92	2,063,971.92
Total Current Liabilities	<u>170,654,299.47</u>	<u>50,375,442.77</u>	<u>221,029,742.24</u>
NONCURRENT LIABILITIES			
Bond payable, net	-	144,849,724.15	144,849,724.15
Reserves for claims & settlements	4,843,711.00	-	4,843,711.00
Accrued OPEB liability	672,396,227.00	-	672,396,227.00
Net pension liability	358,065,922.00	-	358,065,922.00
Total Non-Current Liabilities	<u>1,035,305,860.00</u>	<u>144,849,724.15</u>	<u>1,180,155,584.15</u>
TOTAL LIABILITIES	<u>\$ 1,205,960,159.47</u>	<u>\$ 195,225,166.92</u>	<u>\$ 1,401,185,326.39</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Related to pensions	94,333,985.00	-	94,333,985.00
Related to OPEB	16,732,378.00	-	16,732,378.00
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 111,066,363.00</u>	<u>\$ -</u>	<u>\$ 111,066,363.00</u>
<u>NET ASSETS</u>			
TOTAL NET POSITION	<u>\$ (974,084,471.13)</u>	<u>\$ 1,091,657,047.17</u>	<u>\$ 117,572,576.04</u>



PORT AUTHORITY OF ALLEGHENY COUNTY

COMPARATIVE SUMMARY OF REVENUES AND EXPENSES

	Monthly Actuals			Year to Date Actuals			Notes
	November 2019	November 2020	Variance	FY2020	FY2021	Variance	
REVENUE :							
Passenger revenue -							
Bus, Light Rail & Incline Plane	\$7,292,765	\$2,561,443	(\$4,731,322)	\$37,784,022	\$12,572,137	(\$25,211,885)	
ACCESS program service	865,477	496,727	(\$368,750)	4,467,947	3,322,937	(\$1,145,010)	
Advertising	323,897	173,979	(\$149,918)	1,232,376	675,073	(\$557,303)	
Interest income	205,621	11,946	(\$193,675)	1,030,503	116,644	(\$913,859)	
Other income	119,196	64,859	(\$54,337)	381,477	221,299	(\$160,178)	
Total Operating Income	\$8,806,956	\$3,308,954	(\$5,498,002)	\$44,896,325	\$16,908,090	(\$27,988,235)	Total Operating Income through November was \$27.9 million below last fiscal year's level.
EXPENSE :							
Wages & salaries	\$13,317,514	\$14,110,888	(\$793,374)	\$61,747,754	\$64,813,232	(\$3,065,478)	
Employee benefits	12,504,099	12,946,957	(\$442,858)	63,875,559	65,151,881	(\$1,276,322)	
Materials & supplies	3,285,661	2,997,232	\$288,429	17,358,081	15,673,364	\$1,684,717	
Provision for injuries & damages	485,559	127,247	\$358,312	1,454,538	1,138,912	\$315,626	
Purchased services	1,139,791	1,242,490	(\$102,699)	3,953,320	4,483,873	(\$530,553)	
Utilities	420,953	516,140	(\$95,187)	2,417,464	2,285,111	\$132,353	
Other expense	(1,860,070)	714,575	(\$2,574,645)	969,206	3,580,209	(\$2,611,003)	
Interest	0	0	\$0	0	0	\$0	
ACCESS program service	1,926,379	2,093,262	(\$166,883)	11,755,529	10,699,224	\$1,056,305	
Total Expense	\$31,219,886	\$34,748,791	(\$3,528,905)	\$163,531,451	\$167,825,806	(\$4,294,355)	Total Expense through November is \$4.2 million higher than last fiscal year due to higher Wages & Salaries, Benefits and Other Expense
Deficit before Subsidy	(\$22,412,930)	(\$31,439,837)	(\$9,026,907)	(\$118,635,126)	(\$150,917,716)	(\$32,282,590)	
Operating Subsidy:							
County Drink Tax Revenue			-			-	
RAD Assistance - Local	275,000	782,143	507,143	1,375,000	1,510,715	135,715	
Gen Operating Assist - State	16,494,423	23,075,208	6,580,785	96,074,403	103,191,921	7,117,518	
Gen Op Assist - State Match 5310			-			-	
Defer State Operating Assist			-			-	
Cost of Contracting	2,171,365	591,086	(1,580,279)	3,928,227	2,454,469	(1,473,758)	
Redistribute to Vehicle Overhaul	906,665	-	(906,665)	2,758,016	411,181	(2,346,835)	
Redistribute to Capital Accounts	412,451	211,395	(201,056)	1,130,729	977,414	(153,315)	
Fringe Benefits Redistrib Cap Accts	144,444	100,305	(44,139)	407,066	423,393	16,327	
Preventive Maintenance	2,439,334	2,288,629	(150,705)	16,938,047	17,767,994	829,947	
Third Party Reimbursements	3,521	35,704	32,183	225,107	170,622	(54,485)	
ACCESS-5310 revenue			-			-	
ACCESS-PWD	50,517	32,337	(18,180)	256,087	196,960	(59,127)	
CARES - Port Authority		4,849,048	4,849,048		4,849,048	4,849,048	
CARES - County		1,443,240	1,443,240		3,967,457	3,967,457	
Total Subsidy	\$22,897,720	\$33,409,095	\$ 10,511,375	\$123,092,682	\$135,921,173	\$ 12,828,491	Total Subsidy is \$12.8 million higher than last fiscal year due to higher State Operating Assistance and CARES Act reimbursement.
Surplus/Deficit	\$484,790	\$1,969,258	\$ 1,484,468	\$4,457,556	(\$14,996,543)	(\$19,454,099)	



PORT AUTHORITY OF ALLEGHENY COUNTY
COMPARATIVE SUMMARY OF REVENUES AND EXPENSES

	Month of November 2020			5 Month Year-to-Date			Notes
	Budget	Actual	Variance	Budget	Actual	Variance	
REVENUE :							
Passenger revenue -							
Bus, Light Rail & Incline Plane	\$7,292,223	\$2,561,443	(\$4,730,780)	\$37,740,218	\$12,572,137	(\$25,176,081)	
ACCESS program service	865,477	496,727	(\$368,750)	4,467,947	3,322,937	(\$1,145,010)	
Advertising	323,898	173,979	(\$149,919)	1,252,388	675,073	(\$577,315)	
Interest income	205,620	11,946	(\$193,674)	1,030,502	116,644	(\$913,858)	
Other income	119,740	64,859	(\$54,881)	417,181	221,299	(\$195,882)	
Total Operating Income	\$8,806,958	\$3,308,954	(\$5,498,004)	\$44,916,236	\$16,908,090	(\$28,008,146)	The Authority's Total Operating Income for November was \$5.49 million below budget. Every income category was below budget for the month. Total Operating Income through November was \$28 million below budget due to the pandemic.
EXPENSE :							
Wages & salaries	\$13,773,225	\$14,110,888	(\$337,663)	\$64,007,912	\$64,813,232	(\$805,320)	
Employee benefits	13,724,641	12,946,957	\$777,684	71,037,611	65,151,881	\$5,885,730	
Materials & supplies	3,944,337	2,997,232	\$947,105	20,288,309	15,673,364	\$4,614,945	
Provision for injuries & damages	362,415	127,247	\$235,168	2,122,075	1,138,912	\$983,163	
Purchased services	1,654,097	1,242,490	\$411,607	8,541,996	4,483,873	\$4,058,123	
Utilities	687,339	516,140	\$171,199	3,436,895	2,285,111	\$1,151,784	
Other expense	1,096,627	714,575	\$382,052	6,763,205	3,580,209	\$3,182,996	
ACCESS program service	2,435,235	2,093,262	\$341,973	12,176,175	10,699,224	\$1,476,951	
Total Expense	\$37,677,916	\$34,748,791	\$2,929,125	\$188,374,178	\$167,825,806	\$20,548,372	Total Expense was \$2.9 million below budget for the month of November. Every expense category except Wages & Salaries was below budget for the month of November. Total Operating Expense through November was \$20.5 million under budget.
Deficit before Subsidy	(\$28,870,958)	(\$31,439,837)	(\$2,568,879)	(\$143,457,942)	(\$150,917,716)	(\$7,459,774)	
Operating Subsidy:							
County Drink Tax Revenue			\$0			\$0	
RAD Assistance - Local	410,715	782,143	\$371,428	1,510,715	1,510,715	\$0	
Gen Operating Assist - State	23,075,208	23,075,208	\$0	102,655,189	103,191,921	\$536,731	
Gen Op Assist - State Match 5310			\$0			\$0	
Defer State Operating Assist			\$0			\$0	
Cost of Contracting	591,086	591,086	\$0	2,454,469	2,454,469	\$0	
Redistribute to Vehicle Overhaul	550,000		(\$550,000)	2,190,000	411,181	(\$1,778,819)	
Redistribute to Capital Accounts	168,383	211,395	\$43,012	845,915	977,414	\$131,499	
Fringe Benefits Redistrib Cap Accts	85,000	100,305	\$15,305	425,000	423,393	(\$1,607)	
Preventive Maintenance	2,288,629	2,288,629	\$0	17,767,994	17,767,994	\$0	
Third Party Reimbursements	5,000	35,704	\$30,704	71,000	170,622	\$99,622	
ACCESS-5310 revenue			\$0			\$0	
ACCESS-PWD	51,600	32,337	(\$19,263)	258,000	196,960	(\$61,040)	
CARES - Port Authority	8,333	4,849,048	\$4,840,715	41,665	4,849,048	\$4,807,383	
CARES - County		1,443,240	\$1,443,240		3,967,457	\$3,967,457	
Total Subsidy	\$27,233,954	\$33,409,095	\$6,175,140	\$128,219,947	\$135,921,173	\$7,701,226	Total Subsidy exceeded budget by \$6.1 million for the month and \$7.7 million for the fiscal year. This variance was primarily due to CARES Act subsidy that offset reduced Passenger Revenue.
Surplus/Deficit	(\$1,637,004)	\$1,969,258	\$3,606,261	(\$15,237,995)	(\$14,996,543)	\$241,452	

PORT AUTHORITY OF ALLEGHENY COUNTY
FY 2021 PROJECTED OPERATING RESERVE
(As of November 30, 2020)

(Dollars in Thousands)
Actual/Estimate

	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTAL
Begin Cash & Investments	147,001	117,785	96,433	131,616	141,117	139,605	138,723	136,872	134,971	133,070	131,169	129,268	127,367	
Oper Grants:														
. County/ Additional County Assistance	0	0	9,456	2,534	0	0	2,811	2,811	2,811	2,811	2,811	2,811	2,811	31,667
. Regional Asset District	182	182	182	182	182	782	275	225	225	225	225	225	225	3,135
. State	1,705	16,672	27,120	20,141	17,309	23,072	22,259	22,259	22,259	22,259	22,259	22,259	22,260	260,128
. Additional State Operating Assistance/Rebase														0
. CARES/Deferred Oper Assist	0	0	27,483	4,000	0	4,849	0	0	0	0	0	0	42,708	79,040
Revenues:														
. ACM/Grants Management/T&L	221	257	0	446	354	0	276	276	276	276	276	276	273	2,986
. ACCESS/Shared Ride	623	0	642	0	990	0	882	882	882	882	882	882	884	7,808
. ACCESS/Capital Cost of Contracting	0	0	0	1,863	0	591	1,376	1,376	1,376	1,376	1,376	1,376	1,375	12,085
. ACCESS/Connections and Works	0	0	0	0	0	0	35	35	35	35	35	35	36	246
. Passenger Revenues	2,003	1,953	2,379	3,000	2,817	2,742	7,388	7,388	7,388	7,388	7,388	7,388	7,388	64,607
. VOH	873	0	0	19	0	0	542	542	542	542	542	542	538	3,809
. PREVENTIVE MAINTENANCE	1,508	0	0	7,056	7,280	2,289	2,441	2,441	2,441	2,441	2,441	2,441	2,448	33,719
. Investment Income	63	44	28	18	20	16	130	130	130	130	130	130	133	1,039
. Advertising Income	0	352	116	132	129	174	229	229	229	229	229	229	231	2,508
. OTHER	691	290	3,126	2,907	456	2,013	69	69	69	69	69	69	66	9,272
Cash Available	154,870	137,535	166,965	173,914	170,654	176,133	177,436	175,535	173,634	171,733	169,832	167,931	208,743	512,049
Payments:														
. Pay/Withhold/Fringe	13,741	20,610	14,082	13,326	10,366	13,787	16,433	16,433	16,433	16,433	16,433	16,433	16,437	187,206
. Healthcare	11,925	6,580	6,562	4,057	2,481	6,523	7,414	7,414	7,414	7,414	7,414	7,414	7,416	78,103
. Pension Payment	5,038	5,050	5,603	5,047	5,069	5,294	3,831	3,831	3,831	3,831	3,831	3,831	3,828	52,877
. All Other	6,371	8,832	9,082	10,307	13,113	11,786	12,794	12,794	12,794	12,794	12,794	12,794	12,790	142,674
. Treasury Service Expense	10	30	20	60	20	20	92	92	92	92	92	92	98	800
Total Payments	37,085	41,102	35,349	32,797	31,049	37,410	40,564	40,564	40,564	40,564	40,564	40,564	40,569	461,660
Ending Cash & Investments	117,785	96,433	131,616	141,117	139,605	138,723	136,872	134,971	133,070	131,169	129,268	127,367	168,174	

DECEMBER 2020 FINANCIAL STATEMENTS



Port Authority of Allegheny County
CONSOLIDATED STATEMENT OF NET POSITION

For the Current Period

As of December 31, 2020

	OPERN	CAPTL	TOTAL
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents	\$ 100,321,109.80	\$ 23,038,863.04	123,359,972.84
Capital grants receivable	-	12,881,851.18	12,881,851.18
Other receivables	4,464,978.37	0.00	4,464,978.37
Prepaid expenses	1,830,361.71	-	1,830,361.71
Materials & supplies	19,314,734.40	-	19,314,734.40
Total Current Assets	125,931,184.28	35,920,714.22	161,851,898.50
NONCURRENT ASSETS			
Restricted assets for capital additions and related debt	-	17,961,147.87	17,961,147.87
Designated for reserve fund	40,471,824.00	-	40,471,824.00
Capital assets, net of accumulated depreciation	-	1,235,518,743.84	1,235,518,743.84
Total Non-Current Assets	40,471,824.00	1,253,479,891.71	1,293,951,715.71
 TOTAL ASSETS	 \$ 166,403,008.28	 \$ 1,289,400,605.93	 \$ 1,455,803,614.21
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred charge on refunding	-	6,451,332.02	6,451,332.02
Related to pensions	106,098,500.00	-	106,098,500.00
Related to OPEB	115,177,734.00	-	115,177,734.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 221,276,234.00	\$ 6,451,332.02	\$ 227,727,566.02
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Accounts payable	13,500,888.68	909,325.17	14,410,213.85
Accrued compensation, benefits & withholdings	15,961,253.84	-	15,961,253.84
Unearned revenue	135,524,493.19	31,105,655.41	166,630,148.60
Reserves for claims & settlements	6,456,215.00	-	6,456,215.00
Current portion of bond payable	-	13,830,000.00	13,830,000.00
Other current liabilities	-	2,751,962.55	2,751,962.55
Total Current Liabilities	171,442,850.71	48,596,943.13	220,039,793.84
NONCURRENT LIABILITIES			
Bond payable, net	-	144,801,999.15	144,801,999.15
Reserves for claims & settlements	4,843,711.00	-	4,843,711.00
Accrued OPEB liability	672,396,227.00	-	672,396,227.00
Net pension liability	358,065,922.00	-	358,065,922.00
Total Non-Current Liabilities	1,035,305,860.00	144,801,999.15	1,180,107,859.15
 TOTAL LIABILITIES	 \$ 1,206,748,710.71	 \$ 193,398,942.28	 \$ 1,400,147,652.99
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Related to pensions	94,333,985.00	-	94,333,985.00
Related to OPEB	16,732,378.00	-	16,732,378.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 111,066,363.00	\$ -	\$ 111,066,363.00
<u>NET ASSETS</u>			
 TOTAL NET POSITION	 \$ (985,155,399.43)	 \$ 1,102,452,995.67	 \$ 117,297,596.24

PORT AUTHORITY OF ALLEGHENY COUNTY

COMPARATIVE SUMMARY OF REVENUES AND EXPENSES



	Month of December 2020		6 Month Year-to-Date		Notes
	Budget	Actual	Budget	Actual	
REVENUE:					
Passenger revenue -					
Bus, Light Rail & Incline Plane	\$7,599,632	\$2,425,334	\$45,347,890	\$14,997,471	(\$30,350,379)
ACCESS program service	917,456	529,946	5,365,405	3,852,884	(\$1,532,521)
Advertising	250,599	206,950	1,502,987	882,023	(\$620,964)
Interest Income	182,337	5,653	1,212,839	122,298	(\$1,090,541)
Other income	46,601	215,360	463,782	436,659	(\$27,123)
Total Operating Income	\$8,996,627	\$3,383,243	\$53,912,863	\$20,291,335	(\$33,621,528)
EXPENSE:					
Wages & salaries	\$19,272,273	\$19,124,384	\$83,280,185	\$83,937,616	(\$657,431)
Employee benefits	16,477,715	17,754,949	87,515,325	82,906,830	\$4,608,495
Materials & supplies	3,943,967	3,496,725	24,232,276	19,170,089	\$5,062,187
Provision for injuries & damages	362,415	207,980	5,408,302	1,346,892	\$4,061,410
Purchased services	1,660,575	1,544,126	10,202,571	6,027,999	\$4,174,572
Utilities	687,339	728,948	4,124,234	3,014,060	\$1,110,174
Other expense	1,111,432	132,689	4,950,825	3,712,898	\$1,237,927
Interest					\$0
ACCESS program service	2,435,235	2,335,096	14,611,410	13,034,320	\$1,577,090
Total Expense	\$45,950,951	\$45,324,877	\$234,325,128	\$213,150,704	\$21,174,424
Deficit before Subsidy	(\$36,954,324)	(\$41,941,634)	(\$180,412,265)	(\$192,859,369)	(\$12,447,104)
Operating Subsidy:					
County Drink Tax Revenue	\$ 4,818,217	\$ -	\$ 4,818,217	\$ -	(\$4,818,217)
RAD Assistance - Local	275,000	182,142	1,785,715	1,692,857	(\$92,858)
Gen Operating Assist - State	25,551,687	19,771,057	128,206,876	122,982,978	(\$5,243,899)
Gen Op Assist - State Match 5310			\$0	\$0	\$0
Defer State Operating Assist			\$0	\$0	\$0
Cost of Contracting	1,479,499	1,479,499	3,933,968	3,933,968	\$0
Redistribute to Vehicle Overhaul	550,000		2,740,000	411,181	(\$2,328,819)
Redistribute to Capital Accounts	166,383	179,022	1,014,298	1,156,436	\$142,138
Fringe Benefits Redistrib Cap Accs	85,000	100,100	510,000	523,493	\$13,493
Preventive Maintenance	2,396,316	2,396,316	20,164,310	20,164,310	\$0
Third Party Reimbursements	121,000	94,984	192,000	265,606	\$73,606
ACCESS-5310 revenue			\$0	\$0	\$0
ACCESS-PWD	51,600	33,357	309,600	230,316	(\$79,284)
CARES - Port Authority	8,333		49,998	4,849,048	\$4,799,050
CARES - County		6,634,246		10,601,703	\$10,601,703
Total subsidy	\$35,505,035	\$30,870,724	\$143,724,983	\$166,791,897	\$3,066,915
Surplus/Deficit	(\$1,449,289)	(\$11,070,930)	(\$16,687,282)	(\$26,067,472)	(\$9,360,189)

Operating Income was \$5.61 million below. Passenger Revenues were \$5.17 million under budget due to continued low ridership as a result of the pandemic. At the mid-point of the fiscal year, the Authority's Total Operating Income is \$33.6 million below plan. Every revenue category is below plan at the mid-point of the fiscal year. This shortfall is indirectly eligible for CARES funding reimbursement.

Total Expense was \$6.95 million above the budget in December. Employee Benefits was \$1.22 million over budget primarily due to a required, retroactive payment of \$1.82 million to the ATU Pension Plan. Utilities exceed budget due to higher Propulsion Power, Telecommunications and Natural Gas expense. At the mid-point of the fiscal year, Total Expense is \$21.1 million below budget with every category other than Salary & Wage below budget.

Total Subsidy for the month of December was \$4.6 million below budget due to lower local Drink Tax Subsidy and State Operating Assistance. The variance in local subsidy was offset with County CARES Act funding. Total Subsidy at the mid-point of the fiscal year is \$3.06 million above budget primarily due to timing issue in CARES receipts versus budget in offsetting subsidy categories.



PORT AUTHORITY OF ALLEGHENY COUNTY
COMPARATIVE SUMMARY OF REVENUES AND EXPENSES

	Monthly Actuals			Year to Date Actuals			Notes
	December 2019	December 2020	Variance	FY2020	FY2021	Variance	
REVENUE :							
Passenger revenue -							
Bus, Light Rail & Incline Plane	\$7,608,934	\$2,425,334	(\$5,183,600)	\$45,392,955	\$14,997,471	(\$30,395,484)	
ACCESS program service	917,458	529,946	(\$387,512)	5,385,405	3,852,884	(\$1,532,521)	
Advertising	250,589	206,950	(\$43,639)	1,482,965	882,023	(\$600,942)	
Interest income	182,337	5,653	(\$176,684)	1,212,840	122,298	(\$1,090,542)	
Other income	37,401	215,360	\$177,959	418,878	436,659	\$17,781	
Total Operating Income	\$8,996,719	\$3,383,243	(\$5,613,476)	\$53,893,043	\$20,291,335	(\$33,601,708)	Total Operating Income is \$33.6 million below last fiscal year's total due to the pandemic's impact on the Authority. Income shortfalls are indirectly eligible for CARES reimbursement.
EXPENSE :							
Wages & salaries	\$18,628,996	\$19,124,384	(\$495,388)	\$80,376,750	\$83,937,616	(\$3,560,866)	
Employee benefits	16,025,661	17,754,949	(\$1,729,288)	79,901,220	82,906,830	(\$3,005,610)	
Materials & supplies	3,496,169	3,496,725	(\$556)	20,854,250	19,170,089	\$1,684,161	
Provision for injuries & damages	187,608	207,980	(\$20,372)	1,642,146	1,346,892	\$295,254	
Purchased services	1,005,110	1,544,126	(\$539,016)	4,958,430	6,027,999	(\$1,069,569)	
Utilities	664,969	728,948	(\$63,979)	3,082,433	3,014,060	\$68,373	
Other expense	735,729	132,689	\$603,040	1,704,935	3,712,898	(\$2,007,963)	
Interest	0		\$0	0		\$0	
ACCESS program service	2,284,324	2,335,096	(\$50,772)	14,039,853	13,034,320	\$1,005,533	Total expense at the mid-point of this fiscal year is \$6.59 million higher than FY20. This increase is primarily due to higher Wages & Salaries, Benefits, Purchased Services and Other Expenses.
Total Expense	\$43,028,566	\$45,324,897	(\$2,296,331)	\$206,560,017	\$213,150,704	(\$6,590,687)	
Deficit before Subsidy	(\$34,031,847)	(\$41,941,654)	(\$7,909,807)	(\$152,666,974)	(\$192,859,369)	(\$40,192,395)	
Operating Subsidy:							
County Drink Tax Revenue	\$ -	\$ -	-	\$ -	\$ -	-	
RAD Assistance - Local	275,000	182,142	(\$92,858)	1,650,000	1,692,857	42,857	
Gen Operating Assist - State	25,551,687	19,771,057	(\$5,780,630)	121,626,091	122,962,978	1,336,887	
Gen Op Assist - State Match 5310			-			-	
Defer State Operating Assist			-			-	
Cost of Contracting		1,479,499	1,479,499	3,928,227	3,933,968	5,741	
Redistribute to Vehicle Overhaul	540,810		(\$540,810)	3,298,826	411,181	(\$2,887,645)	
Redistribute to Capital Accounts	195,861	179,022	(\$16,839)	1,326,590	1,156,436	(\$170,154)	
Fringe Benefits Redistrib Cap Accts	88,094	100,100	12,006	495,160	523,493	28,333	
Preventive Maintenance	1,983,782	2,396,316	412,534	18,921,828	20,164,310	1,242,482	
Third Party Reimbursements	205,758	94,984	(\$110,774)	430,866	265,606	(\$165,260)	
ACCESS-5310 revenue			-			-	
ACCESS-PWD	52,856	33,357	(\$19,499)	308,943	230,316	(\$78,627)	
CARES - Port Authority			-		4,849,048	4,849,048	
CARES - County		6,634,246	6,634,246		10,601,703	10,601,703	Total Subsidy through the mid-point of the fiscal year is \$14.8 million higher than last fiscal year. Principally this due to receipt of CARES Funding that is an offset for reduced Passenger Revenue and Local Subsidy.
Total Subsidy	\$28,893,848	\$30,870,724	\$ 1,976,876	\$151,986,531	\$166,791,897	\$ 14,805,366	
Surplus/Deficit	(\$5,137,999)	(\$11,070,930)	\$ (5,932,931)	(\$680,443)	(\$26,067,472)	(\$25,387,029)	

PORT AUTHORITY OF ALLEGHENY COUNTY
FY 2021 PROJECTED OPERATING RESERVE
(As of December 31, 2020)

(Dollars in Thousands)
Actual/Estimate

	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTAL
Begin Cash & Investments	147,001	117,785	96,433	131,616	141,117	139,605	138,723	128,946	127,045	125,144	123,243	121,342	119,441	
Oper Grants:														
. County/ Additional County Assistance	0	0	9,456	2,534	0	0	6,634	2,811	2,811	2,811	2,811	2,811	2,811	28,856
. Regional Asset District	182	182	182	182	182	782	182	225	225	225	225	225	225	3,042
. State	1,705	16,672	27,120	20,141	17,309	23,072	19,770	22,259	22,259	22,259	22,259	22,259	22,260	257,639
. Additional State Operating Assistance/Rebase														0
. CARES/Deferred Oper Assist	0	0	27,483	4,000	0	4,849	0	0	0	0	0	0	0	85,674
Revenues:														
. ACM/Grants Management/T&L	221	257	0	446	354	0	0	276	276	276	276	276	273	2,710
. ACCESS/Shared Ride	623	0	642	0	990	0	530	882	882	882	882	882	884	7,456
. ACCESS/Capital Cost of Contracting	0	0	0	1,863	0	591	1,479	1,376	1,376	1,376	1,376	1,376	1,375	12,188
. ACCESS/Connections and Works	0	0	0	0	0	0	0	35	35	35	35	35	36	211
. Passenger Revenues	2,003	1,953	2,379	3,000	2,817	2,742	2,459	7,388	7,388	7,388	7,388	7,388	7,388	59,678
. VOH	873	0	0	19	0	0	0	542	542	542	542	542	538	3,267
. PREVENTIVE MAINTENANCE	1,508	0	0	7,056	7,280	2,289	2,396	2,441	2,441	2,441	2,441	2,441	2,448	33,674
. Investment Income	63	44	28	18	20	16	7	130	130	130	130	130	133	916
. Advertising Income	0	352	116	132	129	174	68	229	229	229	229	229	231	2,347
. OTHER	691	290	3,126	2,907	456	2,013	1,723	69	69	69	69	69	66	10,926
Cash Available	154,870	137,535	166,965	173,914	170,654	176,133	173,971	167,609	165,708	163,807	161,906	160,005	158,109	508,584
Payments:														
. Pay/Withhold/Fringe	13,741	20,610	14,082	13,326	10,366	13,787	20,422	16,433	16,433	16,433	16,433	16,433	16,437	191,195
. Healthcare	11,925	6,580	6,562	4,057	2,481	6,523	871	7,414	7,414	7,414	7,414	7,414	7,416	71,560
. Pension Payment	5,038	5,050	5,603	5,047	5,069	5,294	7,096	3,831	3,831	3,831	3,831	3,831	3,828	56,142
. All Other	6,371	8,832	9,082	10,307	13,113	11,786	16,616	12,794	12,794	12,794	12,794	12,794	12,790	146,496
. Treasury Service Expense	10	30	20	60	20	20	20	92	92	92	92	92	98	728
Total Payments	37,085	41,102	35,349	32,797	31,049	37,410	45,025	40,564	40,564	40,564	40,564	40,564	40,569	466,121
Ending Cash & Investments	117,785	96,433	131,616	141,117	139,605	138,723	128,946	127,045	125,144	123,243	121,342	119,441	117,540	