

# **Port Authority of Allegheny County**

Single Audit

June 30, 2018

**MaherDuessel**

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# PORT AUTHORITY OF ALLEGHENY COUNTY

JUNE 30, 2018

## DIRECTORY

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### **Financial Statements:**

Independent Auditor's Report	
Management's Discussion and Analysis	i
Financial Statements	1
Required Supplementary Information	31
Supplementary Information	41

### **Independent Auditor's Reports Required by the Uniform Guidance:**

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	43
Independent Auditor's Report on Compliance for its Major Program and on Internal Control over Compliance Required by the Uniform Guidance	45
Schedule of Findings and Questioned Costs	48
Summary Schedule of Prior Audit Findings	49

# PORT AUTHORITY OF ALLEGHENY COUNTY

YEARS ENDED JUNE 30, 2018 AND 2017

## TABLE OF CONTENTS

---

### Independent Auditor's Report

<b>Management's Discussion and Analysis</b>	i
---	---

### Financial Statements:

Statements of Net Position	1
Statements of Revenues, Expenses, and Changes in Net Position	2
Statements of Cash Flows	3
Notes to Financial Statements	4

### Required Supplementary Information:

Schedule of Changes in the Net Pension Liability and Related Ratios:	
- ATU	31
- IBEW	32
- NonRep	33
Schedule of Authority Contributions – Pensions	34
Schedule of Changes in the OPEB Liability and Related Ratios:	
- ATU	35
- IBEW	36
- NonRep	37
Notes to Required Supplementary Schedules – Other Postemployment Benefits (OPEBs)	38

### Supplementary Information:

Schedule of Expenditures of Federal Awards	41
--	----

# PORT AUTHORITY OF ALLEGHENY COUNTY

YEARS ENDED JUNE 30, 2018 AND 2017

## TABLE OF CONTENTS

(Continued)

---

Notes to Schedule of Expenditures of Federal Awards	42
---	----

### **Independent Auditor's Reports Required by the Uniform Guidance:**

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	43
---	----

Independent Auditor's Report on Compliance for its Major Program and on Internal Control over Compliance Required by the Uniform Guidance	45
---	----

Schedule of Findings and Questioned Costs	48
---	----

Summary Schedule of Prior Audit Findings	49
--	----

### **Schedules Required by the Commonwealth of Pennsylvania Department of Transportation:**

#### **Independent Auditor's Report**

LEG – Fixed Route Urban Expenses – Fiscal Year 2017 - 2018	1
--	---

LEG – Non-Fixed Route ADA Paratransit Expenses – Urban – Fiscal Year 2017 - 2018	2
--	---

LEG – Non-Fixed Route Shared Ride Expenses – Urban Standard – Fiscal Year 2017 - 2018	3
---	---

LEG – Non-Fixed Route Shared Ride Expenses – Urban DAS – Fiscal Year 2017 - 2018	4
--	---

LEG – Non-Public Expenses – Other Transportation – Fiscal Year 2017 - 2018	5
--	---

# PORT AUTHORITY OF ALLEGHENY COUNTY

YEARS ENDED JUNE 30, 2018 AND 2017

## TABLE OF CONTENTS

---

(Continued)

LEG – Fixed Route Revenues – Fiscal Year 2017 - 2018	6
LEG – Non-Fixed Route Revenues – Urban - Fiscal Year 2017 - 2018	7
LEG – Non-Public Revenues – Other Transportation – Fiscal Year 2017 - 2018	8
LEG – Fixed Route Subsidies – Fiscal Year 2017 - 2018	9
LEG – Non-Fixed Route Subsidies – Urban – Fiscal Year 2017 - 2018	10
LEG – Budget Summary – Fiscal Year 2017 - 2018	11
Schedule S1 – Local Match Provided – Fiscal Year 2017 - 2018	12
Schedule S2 – Local Match Carryover – Fiscal Year 2017 - 2018	13
Schedule S3 – Urban PTAF/BSG/ASG Carryover – Fiscal Year 2017 - 2018	14
Schedule S5 – Section 1513 Program Carryover – Fiscal Year 2017 - 2018	15
Capital Report #1 Fiscal Year and Inception-to-Date Capital Project Spending	16
Capital Report #3 Request to Finance Capital Projects and Final Financing Data	31

## Independent Auditor's Report

**Board of Directors  
Port Authority of Allegheny County**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Port Authority of Allegheny County (Authority), a component unit of Allegheny County, as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note 2 to the financial statements, the Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*," which requires the Authority to record its OPEB liability and related items on the financial statements. Our opinion is not modified with respect to that matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i through ix and the pension and OPEB information on pages 32 to 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the Authority's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2018, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Maher Duessel*

Pittsburgh, Pennsylvania  
December 7, 2018



## MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

The following management's discussion and analysis of the financial performance and activity of the Port Authority of Allegheny County (the Authority) is intended to provide an introduction to and an overview and analysis of the basic financial statements of the Authority for the years ended June 30, 2018 (Fiscal Year 2018) and June 30, 2017 (Fiscal Year 2017). The management of the Authority has prepared this discussion, and it should be read in conjunction with the financial statements and the notes which follow this section.

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

### HIGHLIGHTS

- Fiscal Year 2018 marks the first year that the Authority has had to comply with the Government Accounting Standards Board (GASB) Statement #75. The standard pertains to the treatment of the OPEB Liability of the organization. The Statement of Net Position of the Authority now contains the OPEB liability or unfunded accrued liability of all three OPEB plans. The Authority's Statement of Net Position now contains a Non-current Liability of \$631 million that represents the OPEB Liability of all three OPEB plans.
- In November 2013, the Pennsylvania State legislature passed the Act 89 Transportation Funding package, which provided additional funding for statewide transportation projects including roads, bridges, and public transportation. Preliminary estimates were that in five years the legislation had the potential to provide \$2.3 billion annually in additional transportation funding, of which public transit agencies would receive almost \$500 million statewide.
- Preliminary projections provided by the Pennsylvania Department of Transportation (PennDOT) were that by the fifth year of legislation, the Authority should receive approximately \$80 million annually in additional capital funding and almost \$50 million in additional operating revenue. Actual additional State capital and operating funding has trended below initial estimates, but has remained well above historical levels.
- Act 44 State Operating Assistance in Fiscal Year 2018 increased \$5.1 million over the prior year from \$224.9 million in Fiscal Year 2017 to \$230 million in Fiscal Year 2017. Local match requirements of 15% on the additional Commonwealth funding were met through additional drink tax revenue from Allegheny County and a grant from the Regional Asset District.
- Prior to the PennDOT required entry to defer grant revenue, the Authority ended Fiscal Year 2018 with a \$19.0 million operating surplus, which is classified as unearned grant revenue per PennDOT's adopted regulations. Combined with Fiscal Year 2017 Deferred Revenues of \$19.1 million, Fiscal Year 2016 Deferred Revenues of \$14.2 million, Fiscal Year 2015 Deferred Revenue of 16.3 million, Fiscal Year 2014 Deferred Revenue of \$21.9 million, Fiscal Year 2013 Deferred Revenue of \$24.8 million, and Fiscal Year 2012 deferred grant revenue of \$4.8 million, the Authority continues to improve its cash position.

- Marketing for ridership growth and enhancing the public image continues. Expansion of real time technology, *TrueTime*, to rail and Wayfinding is underway. The Authority continued to fine tune its Real Time software that permits riders to follow the next available bus on their smartphone or computer. In Fiscal Year 2018, the Authority installed the same hardware and software on its light rail vehicles, so that rail riders are now able to track the arrival of their next train. The Authority has also embarked on a campaign to replace its aging street signs with a modern, easier to understand way-finding sign system to better inform potential riders.
- An initiative that the Authority continues to monitor for its effectiveness is the flat fare pricing model. Effective January 1, 2017, all trips using a Connectcard cost \$2.50 with a 25 cent upcharge for those using cash. The change to a single zone, flat fare system from a two zone system has resulted in steady ridership levels while other transit agencies across the country have reported steep declines. The Authority continues to monitor revenue yields from the fare change versus peak revenue levels prior to the change.
- The Board formally adopted PAAC Transit-Oriented Development (TOD) Guidelines, setting forth best practice standards for TOD in and around the Authority's fixed guideways. TOD has proven to be a successful line of business for many of our peer agencies. High quality TOD not only benefits residents, commuters, shoppers, developers and our riders, but also the revenue potential for the agency. Income from rents, value capture, and other creative mechanisms are a valuable addition to our bottom line. The Board of Directors took the additional step recently of approving Procedures for Competitive Negotiations for Joint Development. This provides a framework for future TOD projects.
- The Authority has also formally adopted *PAAC Transit Service Guidelines* that provide a framework for ranking new service requests. The guidelines set standards for service, report by route adherence to those standards, evaluate and rank new service requests on an annual basis, and provide recommendations for minor and major service changes to meet guidelines on existing routes as well as changes to expand service if additional operating funds ever become available. Based upon recommendations from the Pennsylvania Auditor General, the Authority will continue to fine-tune its guidelines in order to remain responsive to the riding public.
- The Authority embarked on a Tactical Plan in Fiscal Year 2018. The Plan is predicated on addressing five primary goals over the next 18 months. The goals are to Deliver an Excellent Customer Experience, Develop an Financial Sustainability Plan, Develop an Agency-Wide Safety Program, Develop an Employee Engagement Program and Improve Customer and Pubic Communications and Better Engage Communities. Cross-functional teams have been assembled to complete a number of tactics that will allow for attainment of these goals over time.
- The Authority's smart-card based Automated Fare Collection System, branded "Connect Card," is implemented with all products online. The Authority has reached an interoperability agreement with five regional transit agencies whereby Smartcards will be cross-functional, regardless of where the card was loaded with stored value. This system offers transit riders the regionalism component that transit riders have been demanding. In Fiscal Year 2017, a web portal for companies and social service agencies, became operational leading to the elimination of all flash pass media for these customers. In Fiscal Year 2019, the Pittsburgh Public Schools should convert from flash passes to the Connectcard platform. This will mark the complete transition of all customers from the flashpass platform to the Connectcard system.

## BASIC FINANCIAL STATEMENTS

The Authority's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) that apply to U.S. governmental units. The Authority uses the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when incurred. Since the Authority is comprised of a single enterprise fund, no individual fund level financial statements are presented.

The following financial statements, along with the "Notes to Financial Statements," serve as the basis for the analysis and understanding of the Authority's financial position:

- ◆ **Statements of Net Position** - These financial statements summarize the Authority's capital structure as to whether company assets were financed with equity or by incurring a liability. Net position increases when revenues exceed expenses. Increases in assets without a corresponding increase in liabilities generally indicate an improved financial condition.
- ◆ **Statements of Revenues, Expenses, and Changes in Net Position** - These financial statements provide information on the net income generated from the Authority's continuing operations. Operating Expenses are subtracted from Operating Revenues in order to determine an Operating Gain or Loss. Non-Operating Revenues that are defined as significant recurring federal and state grants are added to the Operating Gain or Loss in order to calculate Gain or Loss Before Capital Grant Funding. The Capital Grant Funding is added to the Gain or Loss Before Capital Grant Funding that results in the Change in Net Position. The Change in Net Position is added to the Total Net Position from the end of the previous fiscal year. This summation results in the Total Net Position for the current fiscal year.
- ◆ **Statements of Cash Flows** - The statements of cash flows detail the cash flows generated by the Authority's operations, non-capital financing, and capital and related financing activities. These statements incorporate a direct approach by adding Fiscal Year 2018 changes in cash flows from operating activities, non-capital financing activities, capital and related financing activities, and investing activities to the fiscal year-end 2017 cash balance.

## THE PORT AUTHORITY'S FINANCIAL CONDITION

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

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

In Fiscal Year 2018, the Authority completed the fiscal year with net operating expenses exceeding revenues before capital grant funding by \$126.8 million. Adjusting for the effect of the non-cash items such as depreciation and OPEB and pension obligation adjustments, the Authority's *Net Revenues over Expenses before Capital Grant Funding* are balanced. In July 2012, PennDOT adopted new regulations on grant revenue recognition requiring all fixed route public transit agencies to report balanced operating result, i.e., no surplus or deficit of funds after the use of operating grant funds, at the end of each fiscal year and to do so by classifying any surplus as unearned grant revenue. The Authority deferred \$19 million in Commonwealth of Pennsylvania Act 44 grant revenue to meet required regulations for surpluses. Once capital items are accounted for, net position increased by \$5.5 million.

## **THE PORT AUTHORITY AS TRUSTEE**

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

## **STATEMENTS OF NET POSITION**

The Authority's Total Assets in Fiscal Year 2018 increased by \$45.4 million from the prior year, from \$1.509 billion in Fiscal Year 2017 to \$1.554 billion in Fiscal Year 2018. Total Current Assets increased by \$29.1 million or 18.9%, from \$153.9 million in Fiscal Year 2017 to \$183 million in Fiscal Year 2018. Total Non-current Assets during the same period increased by \$16.3 million. Below are explanations of significant changes in various current and non-current asset classifications.

### **Current Assets**

**Cash and cash equivalents:** The Authority's ending cash and cash equivalents balance was \$132.5 million, an increase of \$21.7 million or 19.6% compared to Fiscal Year 2017. With the passage of Act 89, the Authority should continue to have significant cash reserves over the next few years.

**Capital grants receivable:** Capital grants receivable increased by \$3.6 million or 16%, from \$22.8 million in Fiscal Year 2017 to \$26.5 million in Fiscal Year 2018, due principally to an increase in accounts receivables from the Pennsylvania Government.

**Other receivables:** Other receivables increased \$1.7 million or 25.2%, from \$6.8 million in Fiscal Year 2017 to \$8.6 million in Fiscal Year 2018 as a result of timing.

**Materials and supplies:** Materials and supplies increased \$1.9 million or 14.9%, from \$13.0 million in Fiscal Year 2017 to \$14.9 million in Fiscal Year 2018.

## **Non-Current Assets**

The Authority's major operating facilities include four bus garages, a rail center, a complex housing the Power and Way Departments, the Manchester Administrative Center and General Shops building, South Hills Village Parking Garage, fixed guideways such as the 9.1 mile Martin Luther King, Jr. East Busway, 4.3-mile South Busway, 5.0-mile West Busway, 25.4 miles of Light Rail Transit (LRT) infrastructure, the Monongahela Incline, and other various structures that are situated throughout Allegheny County. Service reductions in March 2011 resulted in the closure of the Harmar Garage, dividing operations among the remaining four garages. The Authority continues to own the Harmar facility. In total, non-current assets in Fiscal Year 2018 increased by \$45.4 million from Fiscal Year 2017 values.

**Restricted assets for capital additions and related debt:** In Fiscal Year 2018, restricted assets for capital additions and related debt decreased by \$2.2 million or 11.5% compared to Fiscal Year 2017.

**Reserve fund:** During Fiscal Year 2017, the Authority adopted a resolution to implement and maintain an operating reserve fund. Approximately \$35 million, or one month of the Authority's operating expenses based on the Fiscal Year 2018 budget was transferred into the fund.

**Capital assets, net of accumulated depreciation:** Capital assets, net of accumulated depreciation, increased \$18.5 million or 1.4% from Fiscal Year 2017.

## **Current Liabilities**

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

In Fiscal Year 2018, total current liabilities increased by \$30.1 million or 16.7% over Fiscal Year 2017 levels due to increases in Unearned Revenues. Unearned Revenue increased by \$27.5 million or 23.1%, due largely to a deferral of State Operating totaling \$19 million.

## **Non-Current Liabilities**

The Authority's non-current liabilities include long-term debt obligations, reserves for claims and settlement, net pension liability, and OPEB liability. At year-end, net bonds payable totaled \$173.2 million, a decline of \$13.1 million over Fiscal Year 2017. In compliance with Governmental Accounting Standards Board (GASB) Statement No. 75 regulations, the Authority must report the entire amount of the unfunded OPEB liability. For Fiscal Year 2018, the OPEB liability increased by \$58.9 million from \$572.2 million in Fiscal Year 2017 to \$631.1 million. In Fiscal Year 2018, total non-current liabilities decreased by \$30.8 million over Fiscal Year 2017. The majority of this decrease in non-current liabilities is attributable to a decrease in the Net Pension liability due to favorable investment returns of pension investments.

## **Net Position**

The Authority's Net Position increased by \$5.5 million from \$277.4 million to \$282.9 million.

## **FINANCIAL COMPARISON: FISCAL YEAR 2018 OVER FISCAL YEAR 2017**

The following discussion measures the financial performance of the Authority by comparing the actual revenues, expenses, and changes in net position. This section comments on revenue and expense categories that exhibited significant dollar variances between Fiscal Year 2018 and Fiscal Year 2017.

## Revenues

Total operating revenues in Fiscal Year 2018 increased by \$965,000 or 1% above Fiscal Year 2017. An \$860k increase in Contract Services revenue was primarily responsible for this increase in total operating revenues. An increase in Advertising Revenue and Miscellaneous Income helped offset a decrease in State Shared Ride revenues. In Fiscal Year 2018, Passenger Fares supported 22.2% of the Authority's Total Operating Expense, excluding OPEB, Depreciation expense and a pension expense accounting entry.

The Authority continues to see year-over-year increases in Advertising Revenue. For Fiscal Year 2018, this increase was \$302,000 or 12%. Advertising Revenue increased with new strategies to entice both national and local advertisers as well as expanded space throughout the system.

The Authority contracts with Transdev Services Inc., a privately-owned transportation company, for professional services to coordinate door-to-door, demand-response transportation service for elderly and handicapped citizens. The Commonwealth of Pennsylvania reimburses the Authority for the costs incurred in providing the Shared Ride program, which is available to persons over 65 years of age. ACCESS Shared Ride revenues in Fiscal Year 2018 decreased by \$525,000 when compared to Fiscal Year 2017.

As indicated in the *Port Authority Ridership Statistics* below, total ridership in Fiscal Year 2018 has increased by 0.4% compared to Fiscal Year 2017. Originating Ridership statistics for bus, light rail, and the incline increased by 3.71% in Fiscal Year 2018 over Fiscal Year 2017, whereas contract services ridership increased by 5.55%. Senior ridership fell by approximately 215,217 rides in Fiscal Year 2018 from Fiscal Year 2017 levels. Ridership on ACCESS in Fiscal Year 2018 decreased by 1.51% compared to Fiscal Year 2017. Ridership within the Downtown Free-Zone decreased 25.76% and Transfers decreased 36.85% vs. Fiscal Year 2017. These decreases occurred due to the fare policy changes instituted in January 2017 which removed the Downtown Free-Zone from the bus mode and removed paper transfers from accepted fare products.

### Port Authority Ridership Statistics

	<u>FY2018</u>	<u>FY2017</u>	<u>Percent +/(-)</u>
Originating	45,085,260	43,471,394	3.71%
Transfers	1,523,975	2,413,418	(36.85%)
Contracted Services	8,764,956	8,303,947	5.55%
Seniors	4,566,567	4,781,784	(4.50%)
ACCESS	1,464,260	1,486,771	(1.51%)
Free Ridership	<u>2,058,836</u>	<u>2,773,304</u>	<u>(25.76%)</u>
	<u><b>63,463,854</b></u>	<u><b>63,230,618</b></u>	<b>0.37%</b>

## Expenses

Total Operating Expenses increased from \$522.5 million in Fiscal Year 2017 to \$524.6 million in Fiscal Year 2018 or .4%. The increase in expenses was largely attributable to a \$9.9 million increase in OPEB expense. Excluding the OPEB and Pension expenses; Total Operating Expenses increased by roughly \$9.9 million or 2%.

Salary and Wages increased by \$6.1 million or 4% due to contractual wage increases and increased personnel levels. Total employee benefits in Fiscal Year 2018 increased \$1.0 million compared to Fiscal Year 2017, mainly due to the continued rise in pension costs. The Authority was able to lock medical premiums in for two years which helped reduce the overall health care expense by \$2.5 million. Pension expense decreased by \$17.7 million due to favorable market returns on pension investments.

Services expense in Fiscal Year 2018 remained consistent with 2017 levels. Increasing slightly by 0.3% or \$38,000.

Fuels and Lubricants also remained consistent from 2017 to 2018 as the Authority was able to lock in diesel fuel at favorable rates.

Other Materials and Supplies increased by \$3.6 million or 18% from Fiscal Year 2017. The majority of the increase was attributable to high cost items replaced on light rail vehicles as part of the Authority's vehicle overhaul program. Miscellaneous Expense increased by \$865k or 17.9% due to increases in software license expense and computer equipment.

Finally, depreciation expense decreased by \$3.4 million or 3.5% from Fiscal Year 2017, which helped to offset some of the increases in the other expense lines.

### **Non-Operating Revenues**

In total, non-operating revenues in Fiscal Year 2018 increased \$15.4 million or 5.6% from the Fiscal Year 2017 level. Non-operating revenues originate from a number of sources. The Commonwealth of Pennsylvania provides Act 89 subsidy for operating, which in Fiscal Year 2018 increased 2.5% from \$205.9 million in Fiscal Year 2017 to \$211.0 million. In FY 2018, the Authority received a portion of its State Operating Assistance from the Public Transportation Assistance Fund (PTAF). The Authority was required to use a portion of PTAF revenues towards debt service payments in FY 2018. The operating subsidy from Allegheny County for Fiscal Year 2018 was higher than Fiscal Year 2017 based on the increased State funding that requires a local match. The Regional Asset District (RAD) contributed \$3,000,000 of the \$34.7 million in local governments Act 44 matching.

Capital funds used for operating assistance increased by \$5.6 million or 11.3% from Fiscal Year 2017. In Fiscal Year 2018, the Authority used higher amounts of Federal, State and Local government Capital Funds in order to support operations of the Authority.

### **CONDITIONS AFFECTING FUTURE FINANCIAL POSITION**

Act 89 has strengthened the Authority's financial position through Fiscal Year 2018. Unfortunately, a pending lawsuit filed by the Owner-Operator Independent Drivers Association, the National Motorists Association and six logistics company owners and commercial drivers against the Pennsylvania Turnpike Commission (PTC) challenging the constitutionality of Act 89. The lawsuit claims that turnpike tolls are being diverted to non-Turnpike activities which violates the federal commerce law.

The immediate financial impact of the lawsuit is a \$75 million reduction in capital funding from the Commonwealth. While it remains to be seen whether this is a permanent reduction, the Authority has passed revised Operating and Capital Budgets for Fiscal Year 2019 to reflect lower State contributions. At present, the reduction in State funding has no impact on the Authority's service levels.

As the Commonwealth's second largest public transportation system, the Authority is an essential partner in the southwestern Pennsylvania region's economy, moving 200,000 people each weekday to and from work, school, and entertainment. The Authority acknowledges that its services are integral to the lives of many Allegheny County residents. Clearly the Authority wishes it could meet every demand for restoration of bus and rail service, but as a practical matter, this will not be financially possible. Any significant increase in service must be funded through increased operating revenue, either increase fare revenue as a result of ridership increases or advertising revenue. The Authority will work tirelessly with various stakeholders at the local and State level to insure alternative funding sources are uncovered if the Turnpike Commission should not prevail in the lawsuit filed by the Independent Drivers Association.

In the meantime, the Authority will focus on improving the service that is already offered and making it more appealing for riders. The Authority has been able to make subtle changes to existing routes in order to offer service in areas without public transit opportunities. Routes have to perform in order to remain viable. Underperforming routes will need to be re-evaluated, which has the potential to create disruption to those few who do take advantage of the route. With this in mind the Authority issued, and the Board approved, *Transit Service Guidelines* which will be used to develop service change recommendations and will be used to evaluate, adjust, and improved service as demand and conditions change. The anticipated result of this strategy will be to attract new riders and increase the utilization of existing riders. Increasing ridership will increase passenger revenue and potentially increase future State Operating Assistance, which is formula driven.

The Authority will also begin to develop a 20 Year Strategic Plan that will include a new, aspirational service plan. This document can be used to inform policymakers of the Authority's true potential to serve the community with dedicated and growing revenue source.

The Authority will also continue to monitor how current resources are allocated. The Authority will remain vigilant for opportunities where it can partner in the community, whether in the form of Transit Oriented Development (TOD), sustainability initiatives, enhancing high-volume Park and Rides, or adding fuel diversity to the fleet.

The Authority's Board of Directors, management, and employees are energized to continue to fulfill the commitment policymakers made to the Authority with the passage of Act 89. The same energy will be brought to bear if new legislation is required in order for the Authority to continue provide critical service the communities and customers it serves.



## GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

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

**Paratransit** – Flexible forms of public transportation services that are not provided over a fixed route. (The 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** – Number of customers using the Authority’s transit services.

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

SOURCE: American Public Transit Association, [A Glossary of Transit Terminology](#), September 1984.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## STATEMENTS OF NET POSITION

JUNE 30, 2018 AND 2017

	2018	2017
<b>Assets</b>		
<hr/>		
Current assets:		
Cash and cash equivalents	\$ 132,466,339	\$ 110,733,902
Capital grants receivable	26,483,945	22,835,785
Other receivables	8,568,257	6,841,914
Prepaid expenses	510,202	481,391
Materials and supplies, net	14,923,218	12,984,751
Total current assets	182,951,961	153,877,743
Non-current assets:		
Restricted and designated assets:		
Restricted assets for capital additions and related debt	17,014,733	19,218,875
Designated for reserve fund	34,982,415	34,982,415
Capital assets, net of accumulated depreciation	1,319,561,484	1,301,040,065
Total non-current assets	1,371,558,632	1,355,241,355
<b>Total Assets</b>	1,554,510,593	1,509,119,098
<b>Deferred Outflows of Resources</b>		
<hr/>		
Deferred charge on refunding	8,426,227	9,216,185
Related to pensions	59,850,178	89,970,551
Related to OPEBs	60,976,741	15,265,095
<b>Total Deferred Outflows of Resources</b>	129,253,146	114,451,831
<b>Liabilities</b>		
<hr/>		
Current liabilities:		
Accounts payable	18,165,819	17,803,802
Accrued compensation, benefits, and withholdings	21,184,512	20,303,531
Unearned revenue	146,519,877	119,056,165
Reserves for claims and settlements	7,900,548	6,942,474
Current portion of bonds payable	12,520,000	11,925,000
Other current liabilities	3,188,846	3,387,032
Total current liabilities	209,479,602	179,418,004
Non-current liabilities:		
Bonds payable, net	173,203,749	186,296,449
Reserves for claims and settlements	3,634,522	4,224,706
OPEB liability	631,119,563	572,249,157
Net pension liability	322,797,115	398,745,666
Total non-current liabilities	1,130,754,949	1,161,515,978
<b>Total Liabilities</b>	1,340,234,551	1,340,933,982
<b>Deferred Inflows of Resources</b>		
<hr/>		
Related to pensions	60,624,852	5,260,632
<b>Net Position</b>		
<hr/>		
Net investment in capital assets	1,188,638,067	1,160,613,048
Unrestricted	(905,733,731)	(883,236,733)
<b>Total Net Position</b>	\$ 282,904,336	\$ 277,376,315

See accompanying notes to financial statements.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
<b>Operating Revenues:</b>		
Passenger fares	\$ 90,310,269	\$ 89,370,256
State Shared Ride Program	11,601,621	12,126,941
Advertising	2,822,827	2,520,834
Miscellaneous income	843,338	595,038
Total operating revenues	105,578,055	104,613,069
<b>Operating Expenses:</b>		
Salaries and wages	158,753,512	152,634,259
Fringe benefits	150,378,246	149,354,492
Pension expense, net	9,536,042	27,205,340
OPEB expense, net	13,158,760	3,299,096
Services	12,061,846	12,023,377
Fuel and lubricant	15,726,665	15,675,308
Tires and tubes	1,990,032	1,921,029
Other materials and supplies	23,971,326	20,310,579
Utilities	7,462,087	8,023,033
Casualty and liability	2,913,274	2,119,581
Purchased transportation	27,070,911	26,037,079
Leases and rentals	1,667,569	1,496,226
Miscellaneous expense	5,706,430	4,840,862
Depreciation	94,182,575	97,590,489
Total operating expenses	524,579,275	522,530,750
<b>Operating Loss</b>	<b>(419,001,220)</b>	<b>(417,917,681)</b>
<b>Non-Operating Revenues (Expenses):</b>		
Capital funds used for operating assistance:		
Federal government	33,866,721	33,395,942
Commonwealth of Pennsylvania	14,990,348	10,255,869
Local governments	6,513,520	6,114,120
Operating grants:		
Commonwealth of Pennsylvania	211,014,860	205,856,490
Local governments - matching	34,671,274	33,728,043
Total government subsidies for operations	301,056,723	289,350,464
Interest income	224,059	155,438
Interest expense	(9,113,042)	(10,307,985)
Loss on sale of capital assets	(1,744)	(2,443,486)
Total non-operating revenues (expenses)	292,165,996	276,754,431
<b>Loss Before Capital Grant Funding</b>	<b>(126,835,224)</b>	<b>(141,163,250)</b>
Capital grant funding:		
Federal	31,088,479	36,685,394
State	95,217,024	65,412,076
Local	6,057,742	3,870,558
Total capital grant funding	132,363,245	105,968,028
<b>Change in Net Position</b>	<b>5,528,021</b>	<b>(35,195,222)</b>
Total net position - beginning, as restated	277,376,315	312,571,537
Total net position - ending	<b>\$ 282,904,336</b>	<b>\$ 277,376,315</b>

See accompanying notes to financial statements.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
<b>Cash Flows From Operating Activities:</b>		
Receipts from customers	\$ 103,851,712	\$ 91,281,931
Payments for goods and services	(102,881,373)	(93,848,031)
Payments to employees	(308,250,777)	(300,930,381)
Net cash provided by (used in) operating activities	(307,280,438)	(303,496,481)
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Operating subsidies	328,520,435	320,446,503
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Capital grants received	128,715,085	97,452,757
Proceeds from the sale of land	-	850,000
Investments in transit operating property	(109,631,876)	(81,299,103)
Payments on bonds	(11,925,000)	(13,498,817)
Interest paid	(9,093,970)	(10,316,813)
Net cash provided by (used in) capital and related financing activities	(1,935,761)	(6,811,976)
<b>Cash Flows From Investing Activities:</b>		
Proceeds from (deposits to) restricted/designated assets	2,204,142	(28,376,578)
Interest and dividends on investments	224,059	155,438
Net cash provided by (used in) investing activities	2,428,201	(28,221,140)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	21,732,437	(18,083,094)
<b>Cash and Cash Equivalents:</b>		
Beginning of year	110,733,902	128,816,996
End of year	\$ 132,466,339	\$ 110,733,902
<b>Reconciliation of Operating Loss and Depreciation Expense to Net Cash Provided by (Used in) Operating Activities:</b>		
Operating loss	\$ (419,001,220)	\$ (417,917,681)
Adjustments to reconcile operating loss and depreciation expense to cash and cash equivalents provided by (used in) operating activities:		
Depreciation	94,182,575	97,590,489
Change in assets, liabilities, and deferred outflows and inflows:		
Accounts receivable	(1,726,343)	(13,331,138)
Materials and supplies	(1,938,467)	79,797
Prepaid expenses and other current assets	(28,811)	(21,886)
Accounts payable	(2,711,845)	101,677
Accrued compensation, benefits, and withholdings	880,981	1,058,370
Reserves for claims and settlements	367,890	(1,560,545)
OPEB liability	58,870,406	-
Net pension liability	(75,948,551)	7,708,194
Deferred outflows of resources for pension	30,120,373	14,498,683
Deferred outflows of resources for OPEBs	(45,711,646)	3,299,096
Deferred inflows of resources for pension	55,364,220	4,998,463
Total adjustments	111,720,782	114,421,200
Net cash provided by (used in) operating activities	\$ (307,280,438)	\$ (303,496,481)

See accompanying notes to financial statements.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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### 1. Organization

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

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

As discussed in Note 6, the Authority contracts with Transdev Services, Inc. for professional services to coordinate ACCESS, a paratransit system, which provides transit service within the Authority's jurisdiction. ACCESS financial statements have not been included in the reporting entity because the Authority has neither control, financial responsibility, nor accountability for ACCESS.

### 2. Summary of Significant Accounting Policies

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

#### Basis of Accounting

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

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of the Authority. Operating revenues consist primarily of user

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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charges. Non-operating revenues and expenses consist of those revenues and expenses that are related to grants and other financing and investing types of activities.

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

### Cash and Cash Equivalents

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

### Materials and Supplies

The Authority maintains spare parts and supplies that are used to maintain transit equipment. The inventory is stated at cost, net of an allowance for obsolete parts of \$379,905 and \$392,137 at June 30, 2018 and 2017, respectively.

### Capital Assets

Transit operating property and equipment are recorded at cost and include certain property acquired from predecessor private mass transportation companies. Transit operating property and equipment also include certain capitalized labor and overhead expenses incurred to ready such property and equipment for use. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. During both fiscal years 2018 and 2017, no interest expense was capitalized.

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

Projects in progress remaining at June 30, 2018 primarily consist of various infrastructure upgrades and building improvements.

### Revenue, Receivables, and Unearned Revenues

Passenger Fares are recorded as revenue at the time services are performed. During Fiscal Year 2017, the Authority transitioned its Ticket, Weekly, and Annual fare products to the

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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electronic based Connectcard system. Monthly “flash” passes continued to be sold on a consignment basis to vendors who maintained the right to return unsold passes. In Fiscal Year 2018, the automated fare collection system (AFCS) eliminated the remaining consignment products sold to vendors except for the Pittsburgh Public School Board.

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

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

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

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

During fiscal year 2019, the Authority was notified that the Turnpike Commission payments to the PTTF fund have been suspended due to outstanding litigation regarding the issue of using Turnpike toll revenue for non-Turnpike projects.

Five program accounts have been created within the new trust fund: Transit Operating Assistance, Asset Improvement Program, Capital Improvements Program, New Initiatives,

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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and Programs of Statewide Significance. Local matching funds are required to receive assistance under most of the programs.

The Authority received \$229.5 million in State Operating Assistance during fiscal year 2018. After recognizing unearned revenue for State Operating Assistance carried forward to future years, the Authority recognized \$211 million in State Operating Assistance for fiscal year 2018 under Act 44. The State operating assistance funds required a 15% local match of \$34.7 million. Allegheny County provided \$31.7 million in local match with an additional \$3 million provided by the Regional Asset District (RAD).

Because of existing debt agreements, the Authority obtained capital funding under PTAF totaling \$22.1 million to use for debt service. Local matching share required for this funding was provided by the County.

The Authority utilized \$132.4 million in capital funding for capital improvements, debt service payments, and to support bus purchases in fiscal year 2018. The Authority applied \$55.4 million of this capital funding in its operating budget.

The Authority utilized a total of \$11.2 million in capital funding from the County during fiscal year 2018, which was required to match federal and state capital grants.

At June 30, 2018, the primary components of unearned revenue were: \$120.2 million of State operating assistance carryover, \$15.5 million of County funds to be used for capital grant matching, and \$7.6 million of State PTAF funds to be used for 2019 debt service.

### Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption (outflows) or addition (inflow) of net position that applies to a future period and so will not be recognized as an outflow (expense) or inflow (revenue) of resources until then.

### Compensated Absences

In accordance with GAAP, the Authority accrues vacation benefits earned by its employees.

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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### Self-Insurance

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

### Refunding Transactions

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

### Use of Estimates in the Preparation of Financial Statements

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

### Classification of Net Position

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

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted – This component of net position consists of constraints placed on assets through external restrictions, reduced by liabilities related to those assets.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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- Unrestricted – This component of net position consists of assets that do not meet the definition of “restricted” or “net investment in capital assets.”

### Pensions

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

### Adopted Accounting Pronouncements

The requirements of the following Governmental Accounting Standards Board (GASB) statements were adopted for the financial statements:

GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,”* improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions of this statement have been adopted and incorporated into these financial statements. As a result of this implementation, the Authority’s net position as of July 1, 2016 and July 1, 2017 has been restated by \$217,040,493 and \$209,739,743, respectively and comparative amounts for 2017 have been adjusted over amounts previously reported. Additionally, expenses over the amounts previously reported were reduced in the amount of \$7,300,750 for the year ended June 30, 2017. As permitted, beginning balances for deferred outflows of resources related to OPEBs, other than those related to contributions made to the measurement date, are not reported.

GASB Statement No. 82, *“Pension Issues – An Amendment of GASB Statements No 67, No. 68, and No. 73),”* addresses issues regarding the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee contribution requirements. The provisions of this statement have been adopted and incorporated into these financial statements.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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GASB Statement No. 85, *"Omnibus 2017,"* addresses practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurements and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). The provisions of this statement have been adopted and incorporated into these financial statements.

### Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 83 (Asset Retirement Obligations), 84 (Fiduciary Activities), 87 (Leases), 88 (Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements), 89 (Accounting for Interest Cost Incurred before the End of a Construction Period), and 90 (Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61). Management has not yet determined the impact of these statements on the financial statements.

### **3. Cash and Investments**

The investment and deposit policy of the Authority funds is governed by the by-laws of the Authority and the Second-Class County Port Authority Act. In accordance with these regulations, the Authority has established investment procedures that require that monies be deposited with FDIC-insured banks in demand deposit accounts or certificates of deposit (which are required to be 100% collateralized by separately identified United States obligations, if not covered by FDIC insurance). Investments are limited to United States obligations and repurchase agreements. Repurchase agreements must be purchased from banks located within the Commonwealth and the underlying collateral securities must have a market value of at least 100% of the cost of the related repurchase agreement. The Authority's investment procedures do not require the delivery of the underlying securities to the Authority; however, it is the obligation of the bank to deposit the pledged obligations with either the Federal Reserve Bank, the trust department of the financial institution issuing the repurchase agreement, or another bank, trust company, or depository satisfactory to the Authority. There were no deposit or investment transactions during 2018 and 2017 that were in violation of either state statutes or the policies of the Authority. The Authority does not have a formal investment policy which addresses custodial credit risk, interest rate risk, credit risk, or concentration of credit risk.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

The Authority's unrestricted cash and investments are available for general operating purposes and restricted cash and investments in the amount of \$17,014,733 are available for acquisition of assets under capital projects and scheduled payments of the Special Revenue Transportation Bonds (Note 5). Board-designated funds in the amount of \$34,982,415 are available to supplement future operating deficits.

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

	2018		2017	
	Cash and Cash Equivalents	Restricted and Designated	Cash and Cash Equivalents	Restricted and Designated
Deposits	\$ -	\$ 32,753,733	\$ 647,010	\$ 34,982,415
INVEST	132,466,339	8,197,841	110,086,892	8,174,183
Money Market	-	11,045,574	-	11,044,692
Total	<u>\$ 132,466,339</u>	<u>\$ 51,997,148</u>	<u>\$ 110,733,902</u>	<u>\$ 54,201,290</u>

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

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of June 30, 2018 and 2017, respectively, \$36,988,188 and \$35,345,233 of the Authority's bank balance of \$37,488,188 and \$35,845,233 were exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

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

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2018, the Authority's investments in INVEST and money markets were rated AAA by Standard & Poor's.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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

### 4. Capital Assets/Accumulated Depreciation

A summary of changes in capital assets for the year ended June 30, 2018 is as follows:

	June 30, 2017	Increases	Decreases	June 30, 2018
Capital assets, not being depreciated:				
Land	\$ 103,588,510	\$ 16,926	\$ -	\$ 103,605,436
Projects in progress	45,201,568	53,497,382	(7,040,875)	91,658,075
Total capital assets, not being depreciated	<u>148,790,078</u>	<u>53,514,308</u>	<u>(7,040,875)</u>	<u>195,263,511</u>
Capital assets, being depreciated:				
Buildings	357,013,960	1,019,855	(689,778)	357,344,037
Transportation equipment	679,718,843	53,038,358	(39,410,331)	693,346,870
Track, roadway, and subway stations	1,643,841,611	9,054,372	(2,963,948)	1,649,932,035
Other property, equipment, and assets	152,401,295	3,119,721	(23,956)	155,497,060
Total capital assets being depreciated	<u>2,832,975,709</u>	<u>66,232,306</u>	<u>(43,088,013)</u>	<u>2,856,120,002</u>
Less accumulated depreciation for:				
Buildings	(176,825,757)	(10,992,967)	687,658	(187,131,066)
Transportation equipment	(431,272,264)	(32,995,027)	39,410,331	(424,856,960)
Track, roadway, and subway stations	(971,336,379)	(38,807,871)	2,964,323	(1,007,179,927)
Other property, equipment, and assets	(101,291,322)	(11,386,710)	23,956	(112,654,076)
Total accumulated depreciation	<u>(1,680,725,722)</u>	<u>(94,182,575)</u>	<u>43,086,268</u>	<u>(1,731,822,029)</u>
Total capital assets, being depreciated, net	<u>1,152,249,987</u>	<u>(27,950,269)</u>	<u>(1,745)</u>	<u>1,124,297,973</u>
Total capital assets, net	<u>\$ 1,301,040,065</u>	<u>\$ 25,564,039</u>	<u>\$ (7,042,620)</u>	<u>\$ 1,319,561,484</u>

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

A summary of changes in capital assets for the year ended June 30, 2017 is as follows:

	June 30, 2016	Increases	Decreases	June 30, 2017
Capital assets, not being depreciated:				
Land	\$ 106,897,385	\$ -	\$ (3,308,875)	\$ 103,588,510
Projects in progress	24,740,784	43,687,439	(23,226,655)	45,201,568
Total capital assets, not being depreciated	<u>131,638,169</u>	<u>43,687,439</u>	<u>(26,535,530)</u>	<u>148,790,078</u>
Capital assets, being depreciated:				
Buildings	373,698,208	3,175,743	(19,859,991)	357,013,960
Transportation equipment	701,698,893	34,483,782	(56,463,832)	679,718,843
Track, roadway, and subway stations	1,654,657,073	19,033,020	(29,848,482)	1,643,841,611
Other property, equipment, and assets	153,634,925	6,973,738	(8,207,368)	152,401,295
Total capital assets being depreciated	<u>2,883,689,099</u>	<u>63,666,283</u>	<u>(114,379,673)</u>	<u>2,832,975,709</u>
Less accumulated depreciation for:				
Buildings	(183,231,283)	(11,296,728)	17,702,254	(176,825,757)
Transportation equipment	(456,520,715)	(31,212,288)	56,460,739	(431,272,264)
Track, roadway, and subway stations	(958,686,010)	(42,495,449)	29,845,080	(971,336,379)
Other property, equipment, and assets	(99,092,446)	(12,586,024)	10,387,148	(101,291,322)
Total accumulated depreciation	<u>(1,697,530,454)</u>	<u>(97,590,489)</u>	<u>114,395,221</u>	<u>(1,680,725,722)</u>
Total capital assets, being depreciated, net	<u>1,186,158,645</u>	<u>(33,924,206)</u>	<u>15,548</u>	<u>1,152,249,987</u>
Total capital assets, net	<u>\$ 1,317,796,814</u>	<u>\$ 9,763,233</u>	<u>\$ (26,519,982)</u>	<u>\$ 1,301,040,065</u>

### 5. Long-Term Debt

On March 1, 2011, the Authority issued \$252,845,000 of the Special Revenue Transportation Bonds, Refunding Series of 2011 (the 2011 Bonds). The proceeds from the sale of the 2011 Bonds together with the amounts on deposit in the 2001 debt service reserve fund were used to provide funds required for 1) refunding the Authority's 2001 Bonds and 2) terminating the Swap Agreement.

Interest on the 2011 Bonds is payable semiannually on each March 1 and September 1, commencing September 1, 2011. Interest rates range from 2% to 5.25% throughout the

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

term of the 2011 Bonds. The 2011 Bonds were issued at a premium of \$10.3 million, which is being amortized over the life of the 2011 Bonds.

The 2011 Bonds are subject to optional redemption prior to maturity by the Authority on any date on or after March 1, 2021 and also include \$59.4 million of term bonds due March 1, 2029 that are subject to mandatory redemption prior to maturity beginning March 1, 2027.

The 2011 Bonds are secured by funds distributed to the Authority by the Commonwealth pursuant to Section 1310 of the Public Transportation Assistance Law, specifically including all monies distributed from PTAF.

During fiscal year 2003, the Authority entered into a Master Financing Agreement (Agreement) for the purchase of capital assets, primarily buses. The Authority financed a total of \$131,631,500 under this Agreement. This debt was secured by an equity interest in the purchased capital assets. The debt matured during 2017.

The following is a summary of debt transactions of the Authority for the year ended June 30, 2018:

	Balance at July 1, 2017	Issuance	Amortization/ Payments and Retirements	Balance at June 30, 2018
Series of 2011 Bonds	\$ 191,540,000	\$ -	\$ (11,925,000)	\$ 179,615,000
Unamortized net bond premium	6,681,449	-	(572,700)	6,108,749
Net outstanding	<u>\$ 198,221,449</u>	<u>\$ -</u>	<u>\$ (12,497,700)</u>	<u>185,723,749</u>
Less current amount:				
Series of 2011 Bonds				<u>(12,520,000)</u>
Total long-term bonds payable, net				<u>\$ 173,203,749</u>

The following is a summary of debt transactions of the Authority for the year ended June 30, 2017:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

	Balance at July 1, 2016	Issuance	Amortization/ Payments and Retirements	Balance at June 30, 2017
Series of 2011 Bonds	\$ 202,900,000	\$ -	\$ (11,360,000)	\$ 191,540,000
Master Financing Agreement	2,138,817	-	(2,138,817)	-
	205,038,817	-	(13,498,817)	191,540,000
Unamortized net bond premium	7,254,149	-	(572,700)	6,681,449
Net outstanding	\$ 212,292,966	\$ -	\$ (14,071,517)	198,221,449
Less current amount:				
Series of 2011 Bonds				(11,925,000)
Total long-term bonds payable, net				\$ 186,296,449

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 12,520,000	\$ 9,566,538	\$ 22,086,538
2020	13,140,000	8,943,088	22,083,088
2021	13,830,000	8,255,888	22,085,888
2022	14,555,000	7,534,050	22,089,050
2023	15,315,000	6,769,913	22,084,913
2024-2028	89,365,000	21,054,088	110,419,088
2029	20,890,000	1,189,575	22,079,575
Total	\$ 179,615,000	\$ 63,313,140	\$ 242,928,140

Restricted assets include approximately \$11 million of cash invested in a debt service fund restricted for debt service on the above bonds.

## 6. ACCESS Program Services

The Authority has a contract with Transdev Services, Inc., which provides professional services to coordinate the paratransit system, ACCESS, which provides transit services



# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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within the County for elderly and handicapped individuals. Expenses under this contract amounted to \$27.1 million and \$26 million for fiscal years 2018 and 2017, respectively.

The Authority currently receives partial reimbursement for these services from the Commonwealth in the form of a grant. The amount is based on ridership and average fare statistics. Revenue under this program totaled \$11.6 million in fiscal year 2018 and \$12.1 million in fiscal year 2017.

### **7. Public Liability, Property Damage, and Workers' Compensation Claims**

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

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

The Authority maintains an estimate of its potential liability related to claims that have been filed as of June 30, 2018. The reserve balance is approximately \$11.5 million and \$11.2 million at June 30, 2018 and 2017, respectively.

### **8. Commitments and Contingencies**

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

The Authority is subject to state and federal audits by grantor agencies. These laws and regulations are complex and subject to interpretation. The Authority is not aware of any

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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pending audit involving prior or current years; however, compliance with such laws and regulations can be subject to future reviews and interpretation which could result in disallowed costs.

### 9. Pension Plans

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

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

Early retirement is available to all participants who have reached the age of 55 and have at least 10 years of service or who meet certain continuous service requirements. Early retirement with full pension benefits is available after 25 years of continuous service for all plans. Early retirement with full pension benefits is also available after age 55 to those participants meeting certain service requirements. Individuals not meeting these requirements who retire after age 55 but prior to the date for normal benefits receive reduced benefits. The cost sharing of health care benefits is provided from Authority operating revenues for ATU and IBEW employees. Health care benefits for retirees in the NonRep Plan were eliminated for those retiring on or after July 1, 2007.

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

No new employees are permitted to start participation in the NonRep and IBEW Plans effective September 2011 and January 2012, respectively. Current participants in the Plans

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# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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have the option to continue participation in the Plan or to exit the Plan and roll their current accumulated contributions to a Section 457 deferred compensation plan. New employees are required to participate in the newly offered Section 457 deferred compensation plan.

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

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

	<u>ATU</u>	<u>IBEW</u>	<u>NonRep</u>	<u>Total</u>
Inactive plan members or beneficiaries				
currently receiving benefits	2,965	139	423	3,527
Participants who transferred to another plan	41	31	65	137
Inactive plan members entitled to but				
not yet receiving benefits	27	1	25	53
Active plan members	<u>2,181</u>	<u>38</u>	<u>138</u>	<u>2,357</u>
Total plan members	<u><u>5,214</u></u>	<u><u>209</u></u>	<u><u>651</u></u>	<u><u>6,074</u></u>

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

*Net Pension Liability.* The Authority's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2017. There were no plan changes between the January 1, 2017 valuation date and the December 31, 2017 liability measurement date. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

*Actuarial Assumptions.* The total pension liability in the January 1, 2017 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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Actuarial cost method Individual entry age normal

Actuarial assumptions:

Investment rate of return:	7.25%
Underlying inflation rate	2.50%
Salary projection:	3.50%*

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

For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for white collar employees and with fully generational projected mortality improvement under Scale BB2D. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995.

Actuarial assumptions are based on actuarial experience study for the period January 1, 2017 to December 31, 2017.

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

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2017:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

Asset Class	IBEW and NonRep	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	38.0%	6.90%
International equity	19.0%	8.10%
Defensive equity	5.0%	6.80%
Core Real Estate	8.0%	4.90%
Fixed income	29.0%	1.80%
Cash	1.0%	1.10%
	<u>100.0%</u>	

  

Asset Class	ATU	
	Target Allocation	Long-Term Expected Real Rate of Return
US large cap equity	32.5%	5.7%
US small cap equity	3.5%	7.4%
Non-US developed markets	19.5%	6.0%
Non-US emerging markets	4.5%	6.4%
Private equity	2.5%	9.3%
Equity long/short	5.0%	3.9%
Fixed income	27.5%	2.1%
Absolute return	5.0%	3.4%
	<u>100.0%</u>	

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

*Changes in Net Pension Liability.* Changes in the Authority's net pension liability for the year ended June 30, 2018 are as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/17	\$ 1,162,995,122	\$ 764,249,456	\$ 398,745,666
Changes for the year:			
Service cost	19,325,243	-	19,325,243
Interest	81,832,444	-	81,832,444
Differences between expected and actual experience	(2,062,336)	-	(2,062,336)
Changes of benefit terms	-	-	-
Changes of assumptions	(10,620,990)	-	(10,620,990)
Employer contributions	-	36,042,605	(36,042,605)
Member contributions	-	15,522,065	(15,522,065)
Net investment income	-	113,702,179	(113,702,179)
Benefit payments, including refunds of employee contributions	(77,808,685)	(77,808,685)	-
Employer reimbursement for healthcare expenses	2,295,729	2,295,729	-
Administrative expenses	-	(843,937)	843,937
Balances at 6/30/18	<u>\$ 1,175,956,527</u>	<u>\$ 853,159,412</u>	<u>\$ 322,797,115</u>

The change in assumption above relates to a decrease in the interest rate assumption from 8% to 7.94% for the ATU plan.

*Changes in Net Pension Liability.* Changes in the Authority's net pension liability for the year ended June 30, 2017 are as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/16	\$ 1,141,551,785	\$ 750,514,313	\$ 391,037,472
Changes for the year:			
Service cost	19,056,826	-	19,056,826
Interest	80,936,680	-	80,936,680
Differences between expected and actual experience	(1,496,528)	-	(1,496,528)
Changes of benefit terms	-	-	-
Changes of assumptions	(2,196,402)	-	(2,196,402)
Employer contributions	-	33,184,797	(33,184,797)
Member contributions	-	15,176,285	(15,176,285)
Net investment income	-	40,884,329	(40,884,329)
Benefit payments, including refunds of employee contributions	(77,040,393)	(77,040,393)	-
Employer reimbursement for healthcare expenses	2,183,154	2,183,154	-
Administrative expenses	-	(653,029)	653,029
Balances at 6/30/17	\$ 1,162,995,122	\$ 764,249,456	\$ 398,745,666

The change in assumption above relates to scheduled salary changes for the ATU plan and a change in the retirement assumption for the IBEW and NonRep plans.

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

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
ATU	\$ 371,155,998	\$ 270,945,599	\$ 184,942,226
IBEW	9,740,278	7,020,170	4,720,069
NonRep	58,156,249	44,831,346	33,562,440
	\$ 439,052,525	\$ 322,797,115	\$ 223,224,735

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the years ended June 30, 2018 and 2017, the Authority recognized pension expense of \$47,269,283 and \$62,233,973, respectively. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as pension expense, net.

At June 30, 2018 and 2017, the Authority reported deferred outflows of resources related to pensions from the following sources:

	2018	2017
Differences between expected and actual experience	\$ 1,130,427	\$ 2,425,807
Changes of assumptions	11,070,242	25,470,052
Net difference between projected and actual earnings on pension plan investments	32,656,745	48,658,905
Contributions made subsequent to the measurement date	14,992,764	13,415,787
	\$ 59,850,178	\$ 89,970,551

At June 30, 2018 and 2017, the Authority reported deferred inflows of resources related to pensions from the following sources:



# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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	<u>2018</u>	<u>2017</u>
Differences between expected and actual experience	\$ 2,999,869	\$ 1,959,939
Changes of assumptions	10,087,616	3,300,693
Net difference between projected and actual earnings on pension plan investments	<u>47,537,367</u>	<u>-</u>
	<u>\$ 60,624,852</u>	<u>\$ 5,260,632</u>

Deferred outflows of resources related to Authority pension contributions subsequent to the measurement date of \$14,992,764 and \$13,415,787 are recognized as a reduction of the net pension liability in the years ended June 30, 2018 and 2017, respectively.

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

<u>Year Ending June 30</u>	
2019	\$ 10,934,510
2020	(2,188,058)
2021	(12,629,549)
2022	<u>(11,884,341)</u>
	<u>\$ (15,767,438)</u>

### 10. Post-Employment Benefits Other Than Pensions

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

At June 30, 2018, participants in the Plans were as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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	ATU	IBEW	NonRep	Total
Active participants	2,212	63	286	2,561
Retired employees:				
With medical coverage	1,979	61	240	2,280
Without medical coverage, but with other benefits	21	2	15	38
Spouses:				
Surviving spouses	197	1	8	206
Covered dependents under retiree medical	1,360	27	171	1,558
Total plan members	5,769	154	720	6,643

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

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

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

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

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

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

NonRep employees who retired prior to July 1, 2007 receive postretirement healthcare benefits. Effective July 1, 2007, Non-Represented employees who retire with eligibility for a

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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pension benefit (25 years of service with no age requirement if hired before December 1, 2005; age 55 with 10 years of service; or disabled with 10 years of service) may elect to continue healthcare coverage with the Authority but are required to pay the full amount of the premiums.

*Contributions.* The Authority's contribution is based on projected pay-as-you-go financing requirements. For fiscal years 2018 and 2017, the Authority contributed \$26.5 million and \$27.3 million (excluding the implicit rate subsidy), respectively, to the plans.

Plan members receiving benefits contributed \$2.0 and \$1.9 million for fiscal years June 30, 2018 and 2017, respectively, through their contributions as required by the cost sharing provisions of the Plans. Under these provisions, retirees receiving benefits pay a certain percentage of any cost increases after the base year, as determined by the respective plans. Retiree cost sharing percentages for the ATU, IBEW, and Non-Rep Plans are based on the particular health care coverage that is selected by the retiree, the number of family members covered and the age of the retiree and each covered family member, and when retirement became effective.

OPEB Liability. The Authority's OPEB liability was measured as of December 31, 2017 and was determined by an actuarial valuation as of January 1, 2017. There were no plan changes between the January 1, 2017 valuation date and the December 31, 2017 liability measurement date. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

Actuarial Assumptions. The methods and assumptions are as follows:

- Discount rate, using Fidelity Fixed Income Market Data for Municipal GO AA Yield Curve at 20 years: 3.31%
- Actuarial cost method: Individual Entry Normal Level Percent of Pay
- Plan participation: 100% of eligible ATU and IBEW employees (medical, dental, and vision coverage), 25% of eligible Non-Rep (medical coverage)
- Mortality: RP-2000 Mortality Table, using separate rates for employees and annuitants, and adjusted for either blue collar (ATU) or white collar employees (IBEW, Non-Rep and spouses for all employee groups)
- Salary increase: 3.5% per year
- Assumed rates of retirement are as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

### ATU

Age	Service		Bridge eligible*
	10 to 24 years	25 or more years	
Below 54	0.0%	40%	50%
55-59	0.2%	25%	50%
60-61	0.2%	10%	50%
62	10.0%	90%	60%
63-64	3.0%	30%	35%
65	80.0%	80%	100%
66-69	30.0%	30%	100%
Over 70	100.0%	100%	100%

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

### IBEW and Non-Rep

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

- Healthcare cost trend rates are as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

Year	Medical and Drug		Dental	Vision	Medicare Part B
	Pre-Medicare	Post-Medicare			
Short term:					
2017	8.50%	4.25%	4.00%	2.50%	0.00%
2018	8.00%	4.25%	4.00%	2.50%	0.00%
2019	7.25%	4.25%	4.00%	2.50%	3.50%
2020	7.25%	4.25%	4.00%	2.50%	4.00%
2021	7.00%	4.75%	4.00%	2.50%	4.50%
2022	6.50%	5.50%	4.00%	2.50%	5.50%
2023	6.00%	5.50%	4.00%	2.50%	5.50%
2024	5.75%	5.50%	4.00%	2.50%	5.50%
Long term:					
2025-2035	5.50%	5.50%	4.00%	2.50%	5.50%
2036-2051	5.00%	5.00%	4.00%	2.50%	5.00%
2052-2057	4.50%	4.50%	4.00%	2.50%	4.50%
2058 and later	4.00%	4.00%	4.00%	2.50%	4.00%

Changes in Actuarial Assumptions. The assumed discount rate of 3.81% as of the beginning of the measurement period was changed to 3.31% as of the end of the measurement period. An update to the retirement assumption for ATU employees was made to reflect plan experience.

*Changes in the Total OPEB Liability.* The changes in the total OPEB liability of the Authority for the year ended June 30, 2018 were as follows:

	<u>OPEB Liability</u>
Balance at June 30, 2017	\$ 572,249,157
Changes for the year:	
Service cost	8,347,027
Interest	21,539,115
Changes of assumptions	59,514,454
Benefits paid	<u>(30,530,190)</u>
Balances at June 30, 2018	<u><u>\$ 631,119,563</u></u>

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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

1% Decrease (2.31%)	Current Discount Rate (3.31%)	1% Increase (4.31%)
\$ 716,938,819	\$ 631,119,563	\$ 560,386,241

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

	1% Decrease	Current	1% Increase
Initial rate, pre-Medicare	7.00%	8.00%	9.00%
Initial rate, post-Medicare	3.25%	4.25%	5.25%
Ultimate rate	3.00%	4.00%	5.00%
	\$ 554,643,008	\$ 631,119,563	\$ 723,918,083

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.* For the year ended June 30, 2018, the Authority recognized OPEB expense of \$44,056,250. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as OPEB expense, net.

Deferred outflows of resources related to Authority OPEB contributions subsequent to the measurement date of \$15,632,395 and \$15,265,095 are recognized as a reduction of the net pension liability in the years ended June 30, 2018 and 2017, respectively.

At June 30, 2018, the Authority reported deferred outflows of resources related to OPEBs of \$45,344,346 due to changes in assumptions and will be recognized in OPEB expense as follows:

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2018 AND 2017

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<u>Year Ending June 30</u>	
2019	\$ 14,170,108
2020	14,170,108
2021	14,170,108
2022	<u>2,834,022</u>
	<u>\$ 45,344,346</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**



**PORT AUTHORITY OF ALLEGHENY COUNTY**

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

YEARS ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>				
Service cost	\$ 17,959,953	\$ 17,641,994	\$ 16,952,228	\$ 14,262,520
Interest	71,007,455	70,211,764	69,033,870	64,022,119
Differences between expected and actual experience	(2,103,754)	(2,141,941)	3,688,462	-
Changes of assumptions	(10,620,990)	(4,479,512)	47,574,706	-
Benefit payments, including refunds of member contributions and certain healthcare expenses	(66,892,328)	(65,950,889)	(65,427,602)	(64,382,251)
Employer reimbursement for healthcare expenses	<u>2,033,015</u>	<u>1,936,792</u>	<u>1,864,037</u>	<u>1,808,498</u>
<b>Net Changes in Total Pension Liability</b>	11,383,351	17,218,208	73,685,701	15,710,886
<b>Total Pension Liability - Beginning</b>	<u>1,009,310,090</u>	<u>992,091,882</u>	<u>918,406,181</u>	<u>902,695,295</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 1,020,693,441</u>	<u>\$ 1,009,310,090</u>	<u>\$ 992,091,882</u>	<u>\$ 918,406,181</u>
<b>Plan Fiduciary Net Position:</b>				
Plan member contributions	\$ 14,312,058	\$ 13,930,234	\$ 13,482,012	\$ 13,068,460
Employer actuarially recommended contributions	29,117,937	26,080,452	22,261,679	20,047,266
Net investment income	100,845,535	35,100,028	(2,750,524)	39,425,414
Benefit payments, including refunds of member contributions and certain healthcare expenses	(66,892,328)	(65,950,889)	(65,427,602)	(64,382,251)
Employer reimbursement for healthcare expenses	2,033,015	1,936,792	1,864,037	1,808,498
Administrative expense	<u>(582,040)</u>	<u>(496,899)</u>	<u>(583,165)</u>	<u>(530,846)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	78,834,177	10,599,718	(31,153,563)	9,436,541
<b>Plan Fiduciary Net Position - Beginning</b>	<u>670,913,665</u>	<u>660,313,947</u>	<u>691,467,510</u>	<u>682,030,969</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 749,747,842</u>	<u>\$ 670,913,665</u>	<u>\$ 660,313,947</u>	<u>\$ 691,467,510</u>
<b>Net Pension Liability - Ending (a-b)</b>	<u>\$ 270,945,599</u>	<u>\$ 338,396,425</u>	<u>\$ 331,777,935</u>	<u>\$ 226,938,671</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<u>73.45%</u>	<u>66.47%</u>	<u>66.56%</u>	<u>75.29%</u>
<b>Covered Payroll</b>	<u>\$ 135,837,359</u>	<u>\$ 131,743,024</u>	<u>\$ 127,714,679</u>	<u>123,363,442</u>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	199.46%	256.86%	259.78%	183.96%

See accompanying note to required supplementary pension schedules.

**PORT AUTHORITY OF ALLEGHENY COUNTY**

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

YEARS ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>				
Service cost	\$ 248,724	\$ 238,162	\$ 252,182	\$ 278,428
Interest	1,850,223	1,860,812	1,830,476	1,804,357
Changes of benefit terms	-	-	16,606	-
Differences between expected and actual experience	(234,234)	(259,056)	(327,711)	-
Changes of assumptions	-	650,549	669,288	-
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,058,112)	(2,108,295)	(2,095,130)	(2,134,184)
Employer reimbursement for healthcare expenses	59,062	60,528	60,633	56,122
<b>Net Changes in Total Pension Liability</b>	<b>(134,337)</b>	<b>442,700</b>	<b>406,344</b>	<b>4,723</b>
<b>Total Pension Liability - Beginning</b>	<b>26,588,638</b>	<b>26,145,938</b>	<b>25,739,594</b>	<b>25,734,871</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 26,454,301</b>	<b>\$ 26,588,638</b>	<b>\$ 26,145,938</b>	<b>\$ 25,739,594</b>
<b>Plan Fiduciary Net Position:</b>				
Plan member contributions	\$ 184,388	\$ 155,496	\$ 120,620	\$ 106,547
Employer actuarially recommended contributions	806,107	913,536	828,090	815,889
Net investment income	2,458,203	1,127,108	(62,544)	1,266,792
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,058,112)	(2,108,295)	(2,095,130)	(2,134,184)
Employer reimbursement for healthcare expenses	59,062	60,528	60,633	56,122
Administrative expense	(67,221)	(42,495)	(59,812)	(60,407)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,382,427</b>	<b>105,878</b>	<b>(1,208,143)</b>	<b>50,759</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>18,051,704</b>	<b>17,945,826</b>	<b>19,153,969</b>	<b>19,103,210</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 19,434,131</b>	<b>\$ 18,051,704</b>	<b>\$ 17,945,826</b>	<b>\$ 19,153,969</b>
<b>Net Pension Liability - Ending (a-b)</b>	<b>\$ 7,020,170</b>	<b>\$ 8,536,934</b>	<b>\$ 8,200,112</b>	<b>\$ 6,585,625</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>73.46%</b>	<b>67.89%</b>	<b>68.64%</b>	<b>74.41%</b>
<b>Covered Payroll</b>	<b>\$ 1,845,900</b>	<b>\$ 1,864,753</b>	<b>\$ 1,916,931</b>	<b>\$ 2,130,900</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>380.31%</b>	<b>457.81%</b>	<b>427.77%</b>	<b>309.05%</b>

See accompanying note to required supplementary pension schedules.

**PORT AUTHORITY OF ALLEGHENY COUNTY**

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

YEARS ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>				
Service cost	\$ 1,116,566	\$ 1,176,670	\$ 1,155,659	\$ 1,190,636
Interest	8,974,766	8,864,104	8,602,050	8,294,767
Differences between expected and actual experience	275,652	904,469	362,560	-
Changes of assumptions	-	1,632,561	2,903,673	-
Benefit payments, including refunds of member contributions and certain healthcare expenses	(8,878,245)	(8,981,209)	(8,764,596)	(8,512,796)
Employer reimbursement for healthcare expenses	203,652	185,834	174,680	166,456
<b>Net Changes in Total Pension Liability</b>	1,692,391	3,782,429	4,434,026	1,139,063
<b>Total Pension Liability - Beginning</b>	127,096,394	123,313,965	118,879,939	117,740,876
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 128,788,785</u>	<u>\$ 127,096,394</u>	<u>\$ 123,313,965</u>	<u>\$ 118,879,939</u>
<b>Plan Fiduciary Net Position:</b>				
Plan member contributions	\$ 1,025,619	\$ 1,090,555	\$ 1,111,025	\$ 1,154,760
Employer actuarially recommended contributions	6,118,561	6,190,809	5,667,461	5,313,090
Net investment income	10,398,441	4,657,193	(270,864)	4,854,389
Benefit payments, including refunds of member contributions and certain healthcare expenses	(8,878,245)	(8,981,209)	(8,764,596)	(8,512,796)
Employer reimbursement for healthcare expenses	203,652	185,834	174,680	166,456
Administrative expense	(194,676)	(113,635)	(140,666)	(160,534)
<b>Net Change in Plan Fiduciary Net Position</b>	8,673,352	3,029,547	(2,222,960)	2,815,365
<b>Plan Fiduciary Net Position - Beginning</b>	75,284,087	72,254,540	74,477,500	71,662,135
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 83,957,439</u>	<u>\$ 75,284,087</u>	<u>\$ 72,254,540</u>	<u>\$ 74,477,500</u>
<b>Net Pension Liability - Ending (a-b)</b>	<u>\$ 44,831,346</u>	<u>\$ 51,812,307</u>	<u>\$ 51,059,425</u>	<u>\$ 44,402,439</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<u>65.19%</u>	<u>59.23%</u>	<u>58.59%</u>	<u>62.65%</u>
<b>Covered Payroll</b>	<u>\$ 9,767,772</u>	<u>\$ 10,153,575</u>	<u>\$ 10,581,158</u>	<u>\$ 10,997,673</u>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	458.97%	510.29%	482.55%	403.74%

See accompanying note to required supplementary pension schedules.

**PORT AUTHORITY OF ALLEGHENY COUNTY**

SCHEDULE OF AUTHORITY CONTRIBUTIONS - PENSIONS

YEARS ENDED JUNE 30

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Actuarially determined contribution:</b>										
ATU	\$ 29,117,937	\$ 25,162,906	\$ 23,179,225 *	\$ 20,047,266	\$ 17,602,620	\$ 13,984,742	\$ 23,546,814	\$ 17,480,911	\$ 23,346,064	\$ 9,908,915
IBEW	806,107	913,536	828,090	815,889	848,189	774,765	653,215	477,378	679,059	381,249
NonRep	6,118,561	6,190,809	5,667,461	5,313,090	6,100,903	4,674,158	5,254,033	4,734,816	5,037,719	3,687,745
	<u>36,042,605</u>	<u>32,267,251</u>	<u>29,674,776</u>	<u>26,176,245</u>	<u>24,551,712</u>	<u>19,433,665</u>	<u>29,454,062</u>	<u>22,693,105</u>	<u>29,062,842</u>	<u>13,977,909</u>
<b>Contributions in relation to the actuarially determined contribution:</b>										
ATU	29,117,937	25,162,906	23,179,225	20,047,266	17,602,620	13,984,742	23,546,814	17,480,911	23,346,064	9,908,915
IBEW	806,107	913,536	828,090	815,889	848,189	774,765	653,215	477,378	679,059	381,249
NonRep	6,118,561	6,190,809	5,667,461	5,313,090	6,100,903	4,674,158	5,254,033	4,734,816	5,037,719	3,687,745
	<u>36,042,605</u>	<u>32,267,251</u>	<u>29,674,776</u>	<u>26,176,245</u>	<u>24,551,712</u>	<u>19,433,665</u>	<u>29,454,062</u>	<u>22,693,105</u>	<u>29,062,842</u>	<u>13,977,909</u>
<b>Contribution deficiency (excess)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Covered payroll:</b>										
ATU	\$ 135,837,359	\$ 131,743,024	\$ 127,714,679	\$ 123,363,442	\$ 120,440,624	\$ 121,432,288	\$ 122,817,450	\$ 128,613,838	\$ 125,199,519	\$ 124,938,277
IBEW	1,845,900	1,864,753	1,916,931	2,130,900	2,267,698	2,404,723	2,775,982	2,902,075	2,850,839	2,815,850
NonRep	9,767,772	10,153,575	10,581,158	10,997,673	11,821,211	14,030,280	16,665,376	17,946,884	17,457,219	16,330,872
	<u>\$ 147,451,031</u>	<u>\$ 143,761,352</u>	<u>\$ 140,212,768</u>	<u>\$ 136,492,015</u>	<u>\$ 134,529,533</u>	<u>\$ 137,867,291</u>	<u>\$ 142,258,808</u>	<u>\$ 149,462,797</u>	<u>\$ 145,507,577</u>	<u>\$ 144,084,999</u>
<b>Contributions as a percentage of covered payroll</b>	24.44%	22.45%	21.16%	19.18%	18.25%	14.10%	20.70%	15.18%	19.97%	9.70%

**Note to Required Supplementary Pension Schedules:**

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

Methods and assumptions used to determine the contribution rates:

Actuarial cost method	Individual Entry Age Normal
Amortization method	Level-dollar monthly payments
Remaining amortization period	15 years
Asset valuation method	Smoothed market value (with phase-in)
Inflation	2.50%
Salary increases	3.50% (with exceptions for years covered by the ATU and IBEW collective bargaining agreement)
Investment rate of return	7.25% IBEW and NonRep (8.00% for 2013 and prior) 8.00% ATU
Mortality	For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for white collar employees with fully-generational projected mortality improvement under Scale AA. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995.

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

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

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

See accompanying note to required supplementary pension schedules.

# PORT AUTHORITY OF ALLEGHENY COUNTY

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

YEAR ENDED JUNE 30, 2018  
LAST TEN YEARS\*

	<b>2018</b>
<b>Total OPEB Liability:</b>	
Service cost	\$ 7,862,601
Interest	18,970,326
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions	55,044,733
Benefit payments	<u>(26,713,212)</u>
<b>Net Changes in Total OPEB Liability</b>	55,164,448
<b>Total OPEB Liability - Beginning</b>	<u>503,402,823</u>
<b>Total OPEB Liability - Ending (a)</b>	<u><u>\$ 558,567,271</u></u>
<b>Covered Payroll</b>	<u><u>\$ 128,520,603</u></u>
<b>OPEB Liability as a Percentage of Covered Payroll</b>	434.61%

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

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

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

YEAR ENDED JUNE 30, 2018  
LAST TEN YEARS\*

	<b>2018</b>
<b>Total OPEB Liability:</b>	
Service cost	\$ 277,648
Interest	644,668
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions	1,169,548
Benefit payments	(696,907)
<b>Net Changes in Total OPEB Liability</b>	<b>1,394,957</b>
<b>Total OPEB Liability - Beginning</b>	<b>16,991,232</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 18,386,189</b>
<b>Covered Payroll</b>	<b>\$ 3,018,623</b>
<b>OPEB Liability as a Percentage of Covered Payroll</b>	<b>609.09%</b>

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

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

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

YEAR ENDED JUNE 30, 2018  
LAST TEN YEARS\*

	<b>2018</b>
<b>Total OPEB Liability:</b>	
Service cost	\$ 206,778
Interest	1,924,121
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions	3,300,173
Benefit payments	<u>(3,120,071)</u>
<b>Net Changes in Total OPEB Liability</b>	2,311,001
<b>Total OPEB Liability - Beginning</b>	<u>51,855,102</u>
<b>Total OPEB Liability - Ending (a)</b>	<u><u>\$ 54,166,103</u></u>
<b>Covered Payroll</b>	<u><u>\$ 19,182,175</u></u>
<b>OPEB Liability as a Percentage of Covered Payroll</b>	282.38%

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

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2018

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### Valuation Date

The actuarial valuation date was performed as of December 31, 2017. The liability measurement date was performed as of January 1, 2017. Standard actuarial techniques were used to roll forward the OPEB liability from the valuation date to the measurement date.

### Funding Policy

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

### Actuarial Methods and Assumptions

The methods and assumptions are as follows:

- Discount rate, using Fidelity Fixed Income Market Data for Municipal GO AA Yield Curve at 20 years: 3.31%
- Actuarial cost method: Individual Entry Normal Level Percent of Pay
- Plan participation: 100% of eligible ATU and IBEW employees (medical, dental, and vision coverage), 25% of eligible Non-Rep (medical coverage)
- Mortality: RP-2000 Mortality Table, using separate rates for employees and annuitants, and adjusted for either blue collar (ATU) or white collar employees (IBEW, Non-Rep and spouses for all employee groups)
- Salary increase: 3.5% per year



# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2018

- Assumed rates of retirement are as follows:

### ATU

Age	Service		Bridge eligible*
	10 to 24 years	25 or more years	
Below 54	0.0%	40%	50%
55-59	0.2%	25%	50%
60-61	0.2%	10%	50%
62	10.0%	90%	60%
63-64	3.0%	30%	35%
65	80.0%	80%	100%
66-69	30.0%	30%	100%
Over 70	100.0%	100%	100%

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

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

### IBEW and Non-Rep

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

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

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2018

- Healthcare cost trend rates are as follows:

Year	Medical and Drug		Dental	Vision	Medicare Part B
	Pre-Medicare	Post-Medicare			
Short term:					
2017	8.50%	4.25%	4.00%	2.50%	0.00%
2018	8.00%	4.25%	4.00%	2.50%	0.00%
2019	7.25%	4.25%	4.00%	2.50%	3.50%
2020	7.25%	4.25%	4.00%	2.50%	4.00%
2021	7.00%	4.75%	4.00%	2.50%	4.50%
2022	6.50%	5.50%	4.00%	2.50%	5.50%
2023	6.00%	5.50%	4.00%	2.50%	5.50%
2024	5.75%	5.50%	4.00%	2.50%	5.50%
Long term:					
2025-2035	5.50%	5.50%	4.00%	2.50%	5.50%
2036-2051	5.00%	5.00%	4.00%	2.50%	5.00%
2052-2057	4.50%	4.50%	4.00%	2.50%	4.50%
2058 and later	4.00%	4.00%	4.00%	2.50%	4.00%

### Changes in Actuarial Assumptions

The assumed discount rate of 3.81% as of the beginning of the measurement period was changed to 3.31% as of the end of the measurement period. An update to the retirement assumption for ATU employees was made to reflect plan experience.

## **SUPPLEMENTARY INFORMATION**

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2018

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Grantor Number or Pass-Through Grantor Number</u>	<u>Amount Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>DEPARTMENT OF TRANSPORTATION:</b>				
<b>FEDERAL TRANSIT ADMINISTRATION:</b>				
<b><u>Federal Transit - Capital Investment Grants:</u></b>				
FY 2009 Fare Collection	20.500	PA-03-0396	\$ -	\$ 449,894
FY 2010 Fixed Guideway	20.500	PA-05-0073	-	10,766
FY 2010 Fixed Guideway	20.500	PA-05-0076	-	329,800
FY 2011 Fixed Guideway	20.500	PA-05-0079	-	473,566
FY 2012 Fixed Guideway	20.500	PA-05-0082	-	213,138
Total CFDA 20.500			-	1,477,164
<b><u>Federal Transit - Formula Grants:</u></b>				
2012 Block Grant	20.507	PA-90-X743	-	809,396
2010 Block Grant	20.507	PA-90-0700	-	159,794
2013 Block Grant	20.507	PA-90-X766	-	4,357,906
FY 2013 Flex Bus Rapid Transportation	20.507	PA-95-X099	-	377,602
PA-2017-014-00 Super Grant	20.507	PA-95-X126	-	6,172,200
PA-2017-014-00 Super Grant	20.507	PA-90-X864	-	26,588,778
PA-2018-030-00 Super Grant	20.507	PA-90-X894	-	573,673
PA-2016-026-00 Super Grant	20.507	PA-90-X857	-	713,850
Total CFDA 20.507			-	39,753,199
<b><u>State of Good Repair Grants Program:</u></b>				
FY 2013 State of Good Repair	20.525	PA-54-0001	-	1,716,886
FY 2014 State of Good Repair	20.525	PA-54-0004	-	125,699
PA-2017-014-00 Super Grant	20.525	PA-54-X001	-	19,235,723
PA-2016-026-00 Super Grant	20.525	PA-54-0011	-	875,952
Total CFDA 20.525			-	21,954,260
<b><u>Bus and Bus Facilities Formula Program:</u></b>				
PA-2017-014-00 Super Grant	20.526	PA-54-X001	-	2,748,088
PA-2016-026-00 Super Grant	20.526	PA-54-0022	-	13,396
Total CFDA 20.526			-	2,761,484
TOTAL FEDERAL TRANSIT CLUSTER			-	65,946,107
TOTAL FEDERAL TRANSIT ADMINISTRATION			-	65,946,107
<b><u>Metropolitan Transportation Planning:</u></b>				
Passed through the Commonwealth of Pennsylvania:				
Metropolitan Transportation Planning	20.505	520906-5	-	184,000
Transit Services Programs Cluster:				
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	CSPC	-	579,758
TOTAL TRANSIT SERVICES PROGRAMS CLUSTER			-	579,758
TOTAL METROPOLITAN TRANSPORTATION PLANNING			-	763,758
TOTAL DEPARTMENT OF TRANSPORTATION			-	66,709,865
<b>DEPARTMENT OF HOMELAND SECURITY:</b>				
2015 Transit Security Grant Program	97.075	EMW2015RA00038	-	42,304
2016 Transit Security Grant Program	97.075	EMW2016RA00032	-	4,650
TOTAL DEPARTMENT OF HOMELAND SECURITY			-	46,954
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ -	\$ 66,756,819

See accompanying notes to schedule of expenditures of federal awards.

# PORT AUTHORITY OF ALLEGHENY COUNTY

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Port Authority of Allegheny County (Authority) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the net position, changes in net position, or cash flows of the Authority.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. The Authority's federal awards made prior to December 26, 2014 are recognized following the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*. The Authority's federal awards made subsequent to December 26, 2014 are recognized following the cost principles in the Uniform Guidance. The Schedule is based upon information provided by the various funding sources to the Authority and other information available at the time this Schedule was prepared. For the year ended June 30, 2018, the Authority did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Port Authority of  
Allegheny County**

Independent Auditor's Reports  
Required by the Uniform Guidance

Year Ended June 30, 2018

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

**Board of Directors  
Port Authority of Allegheny County**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Port Authority of Allegheny County (Authority), which comprise the statement of net position as of June 30, 2018, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 7, 2018.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

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

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

Board of Directors  
Port Authority of Allegheny County  
Independent Auditor's Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters

### Compliance and Other Matters

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

### Purpose of this Report

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

*Maher Duessel*

Pittsburgh, Pennsylvania  
December 7, 2018



## **Independent Auditor’s Report on Compliance for its Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

**Board of Directors  
Port Authority of Allegheny County**

### **Report on Compliance for its Major Federal Program**

We have audited the Port Authority of Allegheny County’s (Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority’s major federal program for the year ended June 30, 2018. The Authority’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

### ***Management’s Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for the Authority’s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirement referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority’s compliance with those requirements and performing such other procedures we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority’s compliance.

Board Directors  
Port Authority of Allegheny County  
Independent Auditor's Report on Compliance  
for its Major Program

***Opinion on its Major Federal Program***

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

**Report on Internal Control over Compliance**

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board Directors  
Port Authority of Allegheny County  
Independent Auditor's Report on Compliance  
for its Major Program

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

*Mahe Duessel*

Pittsburgh, Pennsylvania  
December 7, 2018

# PORT AUTHORITY OF ALLEGHENY COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2018

### I. Summary of Audit Results

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

2. Internal control over financial reporting:

Material weakness(es) identified?  yes  no

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

3. Noncompliance material to financial statements noted?  yes  no

4. Internal control over major program:

Material weakness(es) identified?  yes  no

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

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

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

7. Major Program:

CFDA Number(s)

20.500, 20.507, 20.525,  
and 20.526

Name of Federal Program or Cluster

Federal Transit Cluster

8. Dollar threshold used to distinguish between type A and type B programs: \$2,002,705

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

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

**No matters were reported.**

III. Findings and questioned costs for federal awards.

**No matters were reported.**

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

YEAR ENDED JUNE 30, 2018

**NONE**

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

## Independent Auditor's Report

**Board of Directors  
Port Authority of Allegheny County**

We have audited the financial statements of the Port Authority of Allegheny County (Authority), a component unit of Allegheny County, as of and for the year ended June 30, 2018, and have issued our report thereon dated December 7, 2018, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules required by the Commonwealth of Pennsylvania Department of Transportation are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Maher Duessel*

Pittsburgh, Pennsylvania  
December 7, 2018

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - FIXED ROUTE URBAN EXPENSES**

FISCAL YEAR 2017 - 2018

		Vehicle Operation	Maintenance	General Admin	Totals
<b>Operating Expenses</b>					
1 Operators Salaries & Wages		\$ 67,520,245	\$ -	\$ -	\$ 67,520,245
2 Operator Paid Absences		10,034,051	-	-	10,034,051
3 Other Salaries & Wages		16,798,364	56,388,439	18,046,464	91,233,267
4 Other Paid Absences		1,399,731	4,698,592	1,503,730	7,602,053
5 Fringe Benefits		69,920,760	46,776,688	16,044,697	132,742,145
6 Services		107,013	3,940,356	8,014,479	12,061,848
7 Fuel & Lubricants		14,916,910	809,755		15,726,665
8 Tires & Tubes		1,938,509	51,523		1,990,032
9 Other Materials & Supplies		22,782	22,766,839	1,181,704	23,971,325
10 Utilities		2,675,302		4,786,786	7,462,088
11 Casualty & Liability Costs			-	3,255,735	3,255,735
12 Taxes					-
13 Purchased Transportation					-
14 Miscellaneous Expenses		33,717	131,630	2,826,892	2,992,239
15 <b>Total System Expenses</b>		185,367,384	135,563,822	55,660,487	376,591,693
<b>Applied Reconciling Items</b>					
16 Interest Expenses					-
17 Operating Lease Expenses					4,381,760
18 Depreciation (privately funded assets only)					-
19 Amortization of Intangibles					-
20 Capital Lease Agreement					-
21 Related Parties Lease Agreement					-
22 Voluntary Non-Exchange Transactions					-
23 Extraordinary and Special Items					-
24 Other Reconciling Items					-
25 Total Applied Reconciling Items					-
26 <b>Total Operating Expenses</b>					380,973,453
<b>Non-Applied Reconciling Items</b>					
27 Depreciation (publicly funded assets only)					94,182,575
28 Other Post Employment Benefits (OPEB)					13,158,760
29 Voluntary Non-Exchange Transactions					-
30 Other Reconciling Items					-
Pension					9,536,042
Interest expense for capital					9,113,042
Accident Recovery Reported as Revenue					(342,461)
Loss on Sale of Capital Assets					1,744
Additional ACCESS expenses not reported by PAT					(11,039,605)
Direct Expense paid from Owner's Equity					-
Rounding					(5)
31 <b>Total Non-Applied Reconciling Items</b>					114,610,092
32 <b>Total Operating Expenses per Audit</b>					\$ 495,583,545

**Reconciliation of total operating expenses per audit:**

Line 28 LEG - Fixed Route Urban Expenses	\$ 495,583,545		
Line 28 LEG - Non-Fixed Route ADA and Paratransit Expenses	10,876,612 *		
Line 28 LEG - Non-Fixed Route Shared Ride Expenses	25,771,618 *		
Line 28 LEG - Non-Fixed Route Shared Ride DAS	622,506 *		
Line 28 LEG - Non-Public Other Transportation	839,780 *		
<b>Total per schedules</b>	<u>\$ 533,694,061</u>		
<b>Total operating expenses per Port Authority audit</b>	\$ 524,579,275		
Interest expense per Port Authority audit not included in operating	9,113,042		
Loss on sale capital assets	1,744		
<b>Total per audit</b>	<u>\$ 533,694,061</u>		
		ACCESS Program expenses per Port Authority audit	\$ 27,070,911
		Total ACCESS expenses per audit of ACCESS' Shared Ride Program	<u>(38,110,516)</u>
		Additional ACCESS expenses not reported by Port Authority	<u>\$ (11,039,605)</u>

\* - Represents total expenses of ACCESS Shared Ride Program, PAT only reports expenses subsidized. Reconciliation is as follows:



**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - NON-FIXED ROUTE ADA PARATRANSIT EXPENSES - URBAN**

FISCAL YEAR 2017 - 2018

			<b>Vehicle Operation</b>		<b>Maintenance</b>		<b>General Admin</b>	<b>Totals</b>
<b>Operating Expenses</b>								
1	Operators Salaries & Wages		\$ -		\$ -		\$ -	\$ -
2	Operator Paid Absences		-		-		-	-
3	Other Salaries & Wages		-		-		-	-
4	Other Paid Absences		-		-		-	-
5	Fringe Benefits		-		-		-	-
6	Services		-		-	1,072,105	-	1,072,105
7	Fuel & Lubricants		-		-		-	-
8	Tires & Tubes		-		-		-	-
9	Other Materials & Supplies		-		-		-	-
10	Utilities		-		-		-	-
11	Casualty & Liability Costs		-		-		-	-
12	Taxes		-		-		-	-
13	Purchased Transportation		7,835,344		1,762,952		195,884	9,794,180
14	Miscellaneous Expenses		-		-		10,327	10,327
15	<b>Total System Expenses</b>		<b>7,835,344</b>		<b>1,762,952</b>		<b>1,278,316</b>	<b>10,876,612</b>
<b>Applied Reconciling Items</b>								
16	Interest Expenses		-		-		-	-
17	Operating Lease Expenses		-		-		-	-
18	Depreciation (privately funded assets only)		-		-		-	-
19	Amortization of Intangibles		-		-		-	-
20	Capital Leases		-		-		-	-
21	Related Parties Lease Agreement		-		-		-	-
22	Voluntary Non-Exchange Transactions		-		-		-	-
23	Extraordinary and Special items		-		-		-	-
24	Other Reconciling Items		-		-		-	-
25	<b>Total Applied Reconciling Items</b>		<b>-</b>		<b>-</b>		<b>-</b>	<b>-</b>
26	<b>Total Operating Expenses</b>		<b>7,835,344</b>		<b>1,762,952</b>		<b>1,278,316</b>	<b>10,876,612</b>
<b>Non-Applied Reconciling Items</b>								
27	Depreciation (publicly funded assets only)		-		-		-	-
28	Other Post Employment Benefits (OPEB)		-		-		-	-
29	Voluntary Non-Exchange Transactions		-		-		-	-
30	Other Reconciling Items		-		-		-	-
31	<b>Total Non-Applied Reconciling Items</b>		<b>-</b>		<b>-</b>		<b>-</b>	<b>-</b>
32	<b>Total Operating Expense per Audit</b>		<b>\$ 7,835,344</b>		<b>\$ 1,762,952</b>		<b>\$ 1,278,316</b>	<b>\$ 10,876,612</b>

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - NON-FIXED ROUTE SHARED RIDE EXPENSES - URBAN STANDARD**

FISCAL YEAR 2017 - 2018

			<b>Vehicle Operation</b>		<b>Maintenance</b>		<b>General Admin</b>
<b>Operating Expenses</b>							<b>Totals</b>
1	Operators Salaries & Wages		\$ -		\$ -		\$ -
2	Operator Paid Absences						
3	Other Salaries & Wages		-		-		-
4	Other Paid Absences						
5	Fringe Benefits		-		-		-
6	Services		-		-	1,079,930	1,079,930
7	Fuel & Lubricants		-		-	-	-
8	Tires & Tubes		-		-	-	-
9	Other Materials & Supplies		-		-	-	-
10	Utilities		-		-	-	-
11	Casualty & Liability Costs		-		-	-	-
12	Taxes		-		-	-	-
13	Purchased Transportation		19,732,545		4,439,823	493,313	24,665,681
14	Miscellaneous Expenses		-		-	26,007	26,007
15	<b>Total System Expenses</b>		<b>19,732,545</b>		<b>4,439,823</b>	<b>1,599,250</b>	<b>25,771,618</b>
<b>Applied Reconciling Items</b>							
16	Interest Expenses		-		-	-	-
17	Operating Lease Expenses		-		-	-	-
18	Depreciation (privately funded assets only)		-		-	-	-
19	Amortization of Intangibles		-		-	-	-
20	Capital Leases		-		-	-	-
21	Related Parties Lease Agreement		-		-	-	-
22	Voluntary Non-Exchange Transactions		-		-	-	-
23	Extraordinary and Special Items		-		-	-	-
24	Other Reconciling Items		-		-	-	-
25	<b>Total Applied Reconciling Items</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
26	<b>Total Operating Expenses</b>		<b>19,732,545</b>		<b>4,439,823</b>	<b>1,599,250</b>	<b>25,771,618</b>
<b>Non-Applied Reconciling Items</b>							
27	Depreciation (publicly funded assets only)		-		-	-	-
28	Other Post Employment Benefits (OPEB)		-		-	-	-
29	Voluntary Non-Exchange Transactions		-		-	-	-
30	Other Reconciling Items		-		-	-	-
31	<b>Total Non-Applied Reconciling Items</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
32	<b>Total Operating Expenses per Audit</b>		<b>\$ 19,732,545</b>		<b>\$ 4,439,823</b>	<b>\$ 1,599,250</b>	<b>\$ 25,771,618</b>

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - NON-FIXED ROUTE SHARED RIDE EXPENSES - URBAN DAS\***

FISCAL YEAR 2017 - 2018

		Vehicle Operation	Maintenance	General Admin	Totals
<b>Operating Expenses</b>					
1	Operators Salaries & Wages	\$ -	\$ -	\$ -	\$ -
2	Operators Paid Absences	-	-	-	-
3	Other Salaries & Wages	-	-	-	-
4	Other Paid Absences	-	-	-	-
5	Fringe Benefits	-	-	-	-
6	Services	-	-	-	-
7	Fuel & Lubricants	-	-	40,832	40,832
8	Tires & Tubes	-	-	-	-
9	Other Materials & Supplies	-	-	-	-
10	Utilities	-	-	-	-
11	Casualty & Liability Costs	-	-	-	-
12	Taxes	-	-	-	-
13	Purchased Transportation	464,850	104,591	11,621	581,062
14	Miscellaneous Expenses	-	-	612	612
15	<b>Total System Expenses</b>	<b>464,850</b>	<b>104,591</b>	<b>53,065</b>	<b>622,506</b>
<b>Applied Reconciling Items</b>					
16	Interest Expenses	-	-	-	-
17	Operating Lease Expenses	-	-	-	-
18	Depreciation (privately funded assets only)	-	-	-	-
19	Amortization of Intangibles	-	-	-	-
20	Capital Leases	-	-	-	-
21	Related Parties Lease Agreement	-	-	-	-
22	Voluntary Non-exchange Transactions	-	-	-	-
23	Extraordinary and Special Items	-	-	-	-
24	Other Reconciling Items	-	-	-	-
25	<b>Total Applied Reconciling Items</b>				
26	<b>Total Operating Expenses</b>	<b>464,850</b>	<b>104,591</b>	<b>53,065</b>	<b>622,506</b>
<b>Non-Applied Reconciling Items</b>					
27	Depreciation (publicly funded assets only)	-	-	-	-
28	Other Post Employment Benefits (OPEB)	-	-	-	-
29	Voluntary Non-Exchange Transactions	-	-	-	-
30	Other Reconciling Items	-	-	-	-
31	<b>Total Non-Applied Reconciling Items</b>				
32	<b>Total Operating Expenses per Audit</b>	<b>\$ 464,850</b>	<b>\$ 104,591</b>	<b>\$ 53,065</b>	<b>\$ 622,506</b>
*Additional Department Approved Service (DAS) is Shared Ride Service provided by selected agencies grandfathered into the Section 1513 allocation formula.					

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - NON-PUBLIC EXPENSES - OTHER TRANSPORTATION**

FISCAL YEAR 2017 - 2018

		Non-Shared Ride Paratransit						
		Operation	MATP-Non-Shared Ride Paratransit	MATP Mileage Reimb.	Other Identify Above	Totals		
<b>Operating Expenses</b>								
1	Operators Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Operator Paid Absences							
3	Other Salaries & Wages	-	-	-	-	-	-	-
4	Other Paid Absences							
5	Fringe Benefits	-	-	-	-	-	-	-
6	Services	-	-	-	-	-	-	-
7	Fuel & Lubricants	-	-	-	-	-	-	-
8	Tires & Tubes	-	-	-	-	-	-	-
9	Other Materials & Supplies	-	-	-	-	-	-	-
10	Utilities	-	-	-	-	-	-	-
11	Casualty & Liability Costs	-	-	-	-	-	-	-
12	Taxes	-	-	-	-	-	-	-
13	Purchased Transportation	839,780	-	-	-	-	-	839,780
14	Miscellaneous Expenses	-	-	-	-	-	-	-
15	Mileage Reimbursement	-	-	-	-	-	-	-
16	MATP- Non-Public Service Admin Reimb.	-	-	-	-	-	-	-
17	<b>Total System Expenses</b>	839,780	-	-	-	-	-	839,780
<b>Applied Reconciling Items</b>								
18	Interest Expenses	-	-	-	-	-	-	-
19	Operating Lease Expenses	-	-	-	-	-	-	-
20	Depreciation (privately funded assets only)	-	-	-	-	-	-	-
21	Amortization of Intangibles	-	-	-	-	-	-	-
22	Capital Leases	-	-	-	-	-	-	-
23	Related Parties Lease Agreement	-	-	-	-	-	-	-
24	Voluntary Non-Exchange Transactions	-	-	-	-	-	-	-
25	Extraordinary and Special Items	-	-	-	-	-	-	-
26	Other Reconciling Items	-	-	-	-	-	-	-
27	<b>Total Applied Reconciling Items</b>	-	-	-	-	-	-	-
28	<b>Total Operating Expenses</b>	839,780	-	-	-	-	-	839,780
<b>Non-Applied Reconciling Items</b>								
29	Depreciation (publicly funded assets only)	-	-	-	-	-	-	-
30	Other Post Employment Benefits (OPEB)	-	-	-	-	-	-	-
31	Voluntary Non-Exchange Transactions	-	-	-	-	-	-	-
32	Other Reconciling Items	-	-	-	-	-	-	-
33	<b>Total Non-Applied Reconciling Items</b>	-	-	-	-	-	-	-
34	<b>Total Operating Expenses per Audit</b>	\$ 839,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 839,780

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - FIXED ROUTE REVENUES**

FISCAL YEAR 2017 - 2018

		Urban	Rural	Total
<b>Transportation Revenues</b>				
1	Passenger Paid Fares	\$ 68,676,664	\$ -	\$ 68,676,664
2	Organization Paid Fares	21,244,328	-	21,244,328
3	Advertising	2,822,827	-	2,822,827
4	<b>Sub-total Transportaion Revenues</b>	92,743,819	-	92,743,819
<b>Other Revenue</b>				
5	Total Recoveries	342,461	-	342,461
6	Real Estate Income	569,148	-	569,148
7	Interest/Investment Income	1,067,127	-	1,067,127
8	Concession Income	59,015	-	59,015
9	Misc. Revenue	215,168	-	215,168
10	Park and Ride Revenue	389,279	-	389,279
11	<b>Sub-total Other Revenue</b>	2,642,198	-	2,642,198
12	<b>Total Revenue</b>	95,386,017	-	95,386,017
<b>Non-Applied Reconciling Items</b>				
13	Identify - Interest income reported as offset to exp	(1,067,127)	-	(1,067,127)
14	Identify - ACCESS Revenue received by ACCESS	(11,039,605)	-	(11,039,605)
15	Identify - Accident recovery reported as credit to exp	(342,461)	-	(342,461)
16	Identify - Interest income related to capital	224,061	-	224,061
17	<b>Total Non-Applied Reconciling Items</b>	(12,225,132)	-	(12,225,132)
18	<b>Total Revenue per Audit</b>	\$ 83,160,885	\$ -	\$ 83,160,885

FISCAL YEAR 2017- 2018

		ADA Paratransit	Shared Ride 65+ Lottery Sponsored		Shared Ride Under 65		Public Vanpool	Total	
			Standard	DAS*	Standard	DAS*			
<b>Transportation Revenues</b>									
	1	Passenger fares	\$ 2,171,794	\$ 1,040,564	\$ 7,841	\$ 335,878	\$ 85,599	\$ -	\$ 3,641,676
	2	Advertising	-	-	-	-	-	-	-
	3	Shared-Ride Lottery Trip Reimbursement	-	11,583,324	18,297	-	-	-	11,601,621
	4	PwD Trip Reimbursement	-	-	-	1,115,145	30,323	-	1,145,468
	5	PwD Passenger Fares	-	-	-	292,701	12,996	-	305,697
	6	AAA	-	668,163	-	108,378	-	-	776,541
	7	MH/MR - Shared-Ride Fare Structure	-	-	-	-	-	-	-
	8	W2W - Shared-Ride Fare Structure	-	-	-	-	-	-	-
	9	MATP - Shared-Ride Fare Structure	-	241,011	-	4,887,033	-	-	5,128,044
Other Agencies/Third-Party Sponsors									
	10	Various Agencies	-	116,968	-	231,103	-	-	348,071
	11	Section 5310	-	-	-	480,602	99,156	-	579,758
<b>Other Revenue</b>									
MATP									
	12	Admin Reimbursement for MATP Shared Ride Fare Structure	-	-	-	-	-	-	-
Other (i.e. block grant) identify									
	13	Identify	-	-	-	-	-	-	-
	14	Identify	-	-	-	-	-	-	-
	15	Identify	-	-	-	-	-	-	-
	16	Interest/Investment Income	-	-	-	-	-	-	-
	17	<b>Total Revenue</b>	2,171,794	13,650,030	26,138	7,450,840	228,074	-	23,526,876
Non-Applied Reconciling Items									
	18	Identify	-	-	-	-	-	-	-
	19	Identify	-	-	-	-	-	-	-
	20	Total Non-Applied Reconciling Items	-	-	-	-	-	-	-
	21	Total Revenue per Audit	\$ 2,171,794	\$ 13,650,030	\$ 26,138	\$ 7,450,840	\$ 228,074	\$ -	\$ 23,526,876
<p><b>*Additional Department Approved Service(DAS) is Shared Ride Service provided by selected agencies grandfathered into the Section 1513 allocation formula</b></p>									

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - NON-PUBLIC REVENUES - OTHER TRANSPORTATION**

FISCAL YEAR 2017 - 2018

			<b>Total</b>
<b>Contract Revenue - Non-Shared Ride Paratransit</b>			
	1	Holy Trinity	\$ 6,440
	2	Community Health Choices	833,340
	3	Identify	-
<b>MATP Revenue</b>			
	4	MATP - Fixed Route	-
	5	MATP- Contract Rate Paratransit	-
	6	MATP- Mileage Reimbursement	-
	7	MATP- Admin Reimbursement	-
	8	MATP- Offset	-
<b>W2W</b>			
	9	W2W - Contract Rate Paratransit Admin	-
	10	W2W - Other	-
	11	W2W - Admin/Case Management	-
<b>Other Revenue</b>			
	12	Identify	-
	13	Interest/Investment Income	-
	14	<b>Total Revenue</b>	<b>839,780</b>
<b>Non-Applied Reconciling Items</b>			
	15	Identify	-
	16	Identify	-
	17	<b>Total Non-Applied Reconciling Items</b>	<b>-</b>
	18	<b>Total Revenue per Audit</b>	<b>\$ 839,780</b>

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**LEG - FIXED ROUTE SUBSIDIES**

FISCAL YEAR 2017 - 2018

		Fixed Route Urban	Fixed Route Rural	Total
1	Federal Operating Grant	\$ -	\$ -	\$ -
2	Federal Capital Grant to Fund Preventative Maintenance Costs	21,600,000	-	21,600,000
3	Federal Capital Grant to Fund Capital Costs of Contracting	-	-	-
4	Federal Capital Grant to Fund Associated Capital Maintenance Costs	-	-	-
5	Other Federal Grants for Operating Costs	1,155,518	-	1,155,518
	ATJ, Direct Expense Federal			
6	Subtotal Federal Subsidy	22,755,518	-	22,755,518
7	Act 44 Section 1513 Operating Grant Amount Charged – State Share (Prior Years)	-	-	-
8	Act 44 Section 1513 Operating Grant Amount Charged – State Share (Current Year)	210,435,102	-	210,435,102
9	Act 3 ASG Grant Amount Charged – State Share	-	-	-
10	Act 3 BSG Grant Amount Charged – State Share	-	-	-
11	Special Operating Grants – State Share	11,296,928	-	11,296,928
	Additional State funding, VOH, ACM			
12	Subtotal State Subsidy	221,732,030	-	221,732,030
13	Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Prior Years) - Municipal Source*	-	-	-
14	Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Municipal Source	34,671,274	-	34,671,274
15	Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Advertising Source**	-	-	-
16	Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Private Source	-	-	-
17	Act 3 ASG Grant Amount Charged – Local Share	-	-	-
18	Act 3 BSG Grant Amount Charged – Local Share	-	-	-
19	Special Operating Grants – Local Share	6,428,614	-	6,428,614
	RAD, Match on Gov Funds, Grant Matching	-	-	-
20	Subtotal Local Subsidy	41,099,888	-	41,099,888
21	Grand Total Subsidy	285,587,436	-	285,587,436
Non-Applied Reconciling Items				
22	Identify Federal Interest Income,	-	-	-
23	Identify State	-	-	-
24	Identify Local	-	-	-
25	Total Non-Applied Reconciling Items	-	-	-
26	Grand Total Subsidy per Audit	\$ 285,587,436	\$ -	\$ 285,587,436



**PORT AUTHORITY OF ALLEGHENY COUNTY**

LEG - NON-FIXED ROUTE SUBSIDIES - URBAN

FISCAL YEAR 2017 - 2018

	ADA Paratransit	Shared Ride		Public Vanpool	Total
		Standard	DAS*		
<b>Subsidy</b>					
1 Federal Operating Grant	\$ -	\$ -	\$ -	\$ -	\$ -
2 Federal Capital Grant to Fund Preventative Maintenance Costs	-	-	-	-	-
3 Federal Capital Grant to Fund Capital Costs of Contracting	6,963,855	3,352,106	215,484	-	10,531,445
4 Federal Capital Grant to Fund Associated Capital Maintenance Costs	-	-	-	-	-
5 Other Federal Grants for Operating Costs	-	-	-	-	-
6 Federal Shared-Ride Subsidy	-	-	-	-	-
7 Subtotal Federal Subsidy	6,963,855	3,352,106	215,484	-	10,531,445
8 Act 44 Section 1513 Operating Grant Amount Charged – State Share (Prior Years)	-	-	-	-	-
9 Act 44 Section 1513 Operating Grant Amount Charged – State Share (Current Year)	-	480,615	99,143	-	579,758
10 Act 3 ASG Grant Amount Charged – State Share	-	-	-	-	-
11 Act 3 BSG Grant Amount Charged – State Share	-	-	-	-	-
12 Special Operating Grants – State Share Capital Cost	1,684,817	811,001	51,931	-	2,547,749
13 State Shared-Ride Subsidy	-	-	-	-	-
14 Subtotal State Subsidy	1,684,817	1,291,616	151,074	-	3,127,507
15 Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Prior Years) - Municipal Source**	-	-	-	-	-
16 Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Municipal Source	-	-	-	-	-
17 Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Advertising Source***	-	-	-	-	-
18 Act 44 Section 1513 Operating Grant Amount Charged – Local Share (Current Year) - Private Source	-	-	-	-	-
19 Act 3 ASG Grant Amount Charged – Local Share	-	-	-	-	-
20 Act 3 BSG Grant Amount Charged – Local Share	-	-	-	-	-
21 Special Operating Grants – Local Share	-	-	-	-	-
CCOC	56,146	27,026	1,736	-	84,908
22 Local Shared-Ride Subsidy	-	-	-	-	-
23 Subtotal Local Subsidy	56,146	27,026	1,736	-	84,908
24 Grand Total Subsidy	8,704,818	4,670,748	368,294	-	13,743,860
<b>Non-Applied Reconciling Items</b>					
25 Identify Federal	-	-	-	-	-
26 Identify State	-	-	-	-	-
27 Identify Local	-	-	-	-	-
28 Total Non-Applied Reconciling Items	-	-	-	-	-
29 Grand Total Subsidy per Audit	\$ 8,704,818	\$ 4,670,748	\$ 368,294	\$ -	\$ 13,743,860

**PORT AUTHORITY OF ALLEGHENY COUNTY**

LEG - BUDGET SUMMARY

FISCAL YEAR 2017 - 2018

	FIXED ROUTE				NON FIXED ROUTE						NON PUBLIC		Total
	Urban	Rural	ADA Paratransit		Shared Ride				Public Vanpool		OTHER TRANSPORTATION		
			Urban	Rural	Standard	DAS*	Standard	DAS*	Urban	Rural			
					Urban	Rural	Urban	Rural					
1 Total Operating Expenses	\$ 380,973,453		\$ 10,876,612		\$ 25,771,618	\$ 622,506	\$ -	\$ -	\$ -	\$ -	\$ 839,780	\$ 419,083,969	
2 Total Revenue	95,386,017		2,171,794		21,100,870	254,212	-	-	-	-	839,780	119,752,673	
3 Operating Balance	(285,587,436)		(8,704,818)		(4,670,748)	(368,294)	-	-	-	-	-	(299,331,296)	
4 Grand Total Subsidy	285,587,436		8,704,818		4,670,748	368,294	-	-	-	-	-	299,331,296	
5 Applied Operating Result**	-		-		-	-	-	-	-	-	-	-	
Non-Applied Reconciling Items													
6 Total Non-Applied Reconciling Expense Items	114,610,092		-		-	-	-	-	-	-	-	114,610,092	
7 Total Non-Applied Reconciling Revenue Items	(12,225,132)		-		-	-	-	-	-	-	-	(12,225,132)	
8 Total Non-Applied Reconciling Subsidy Items	-		-		-	-	-	-	-	-	-	-	
9 Operating Result per Audit	\$ (126,835,224)		\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (126,835,224)	

**PORT AUTHORITY OF ALLEGHENY COUNTY**

SCHEDULE S1 - LOCAL MATCH PROVIDED

FISCAL YEAR 2017 - 2018

List below all local cash contributions provided for the year-ended June 30, 2018:

**Act 44 Section 1513 Local Match for Operating Funds Received:**

(Including any PTAF Matching Funds – PAAC and SEPTA only)

Contributor Name	Date of Final Payment	Total Amount Provided
Allegheny County - Section 1513 Match	6/26/2018	\$ 31,671,274
Allegheny Regional Asset District - Section 1513 Match	6/15/2018	3,000,000
<b>Subtotal</b>		34,671,274

**Act 44 Sec. 1514 Local Match for Discretionary Capital Funds Received**

Non-Federal

Federal Projects

Total Section 1514 Local Match Funds Received

Contributor Name	Date of Final Payment	Total Amount Provided
		-
<b>Subtotal</b>		-

**Act 44 Section 1514 Local Match for Capital Bond Funds Received:**

Contributor Name	Date of Final Payment	Total Amount Provided
Allegheny County - Section 1514 Match	10/22/2018	\$ 14,289,495
<b>Subtotal</b>		14,289,495

**Local Match for PTAF Funds Received for Debt Service**

735,474

(PAAC and SEPTA Only)

Contributor Name	Date of Final Payment	Total Amount Provided
Allegheny County	10/22/2018	735,474

**Grand Total** \$ 49,696,243

**PORT AUTHORITY OF ALLEGHENY COUNTY**

SCHEDULE S2 - LOCAL MATCH CARRYOVER

FISCAL YEAR 2017 - 2018

A.	Local match available as of June 30, 2017		\$ 7,263,514
B.	Local match funds provided during year ended June 30, 2018:		49,696,243
C.	Local match operating expenditures for year-ended June 30, 2018:		
a.	Act 44 Sec. 1513 Local operating grant charged (prior years) - Municipal Source		
b.	Act 44 Sec. 1513 Local operating grant charged (current year) - Municipal Source	34,671,274	
c.	Act 44 Sec. 1513 Local operating grant charged (current year) - Advertising Source		
d.	Act 44 Sec. 1513 Local operating grant charged (current year) - Private Source		
e.	Act 3 BSG Local operating grant charged (previous years)		
f.	Act 3 ASG Local operating grant charged (previous years – RURAL ONLY)		
g.	Other operating expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
h.	Other operating expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
i.	Other operating expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
D.	Total local match operating expenditures for year-ended June 30, 2018 (Sum of C.a through C.i)		34,671,274
E.	Local match capital expenditures for year-ended June 30, 2018:		
a.	Section 1514-Discretionary local match capital expenditures (if any)		
b.	Section 1514-Bond local match capital expenditures (if any)	6,358,615	
c.	Section 1515-New Initiatives capital expenditures (if any)		
d.	Section 1516-Programs of Statewide Significance capital expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
e.	PTAF local match capital expenditures (previous years' funds)		
f.	PTAF local match capital expenditures (current year funds) (Act 44 for PAAC and SEPTA only)		
g.	Act 3 BSG Local capital grant charged (previous years)		
h.	Act 3 ASG Local capital grant charged (previous years)		
i.	Other local match capital expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
j.	Other local match capital expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
k.	Other local match capital expenditures (if any)		
	IDENTIFY MATCHED PROGRAM:		
F.	Total local match capital expenditures for year-ended June 30, 2018 (Sum of E.a through E.k)		6,358,615
G.	Interest earned on local funds for year-ended June 30, 2018		-
H.	Local Match Funds Available as of June 30, 2018 (A+B-D-F+G)		\$ 15,929,868

## PORT AUTHORITY OF ALLEGHENY COUNTY

### SCHEDULE S3 - URBAN PTAF/BSG/ASG CARRYOVER

FISCAL YEAR 2017-2018

	ACT 26			ACT 3					
	PTAF	PTAF Actual Local Match	PTAF Total Balance	BSG	BSG Actual Local Match	BSG Total Balance	ASG	ASG Actual Local Match	ASG Total Balance
1 Funds available as of June 30, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 PTAF funds received in FY 2017 -2018	\$ 59,966,832	\$ 735,474.00	-	-	-	-	-	-	-
3 Total funds available in FY 2017 -2018 (Line 1 + 2)	\$ 59,966,832	\$ 735,474.00	-	-	-	-	-	-	-
4 Funds used for operating in FY 2017-2018	\$ 38,636,447	\$ -	-	-	-	-	-	-	-
5 Funds used for capital in FY 2017-2018	\$ 21,330,384	\$ 735,474.00	-	-	-	-	-	-	-
6 Total funds used in FY 2017-2018 (Line 4 + 5)	\$ 59,966,832	\$ 735,474.00	-	-	-	-	-	-	-
7 Funds available for FY 2017-2018 (Line 3 minus 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

# PORT AUTHORITY OF ALLEGHENY COUNTY

## SCHEDULE S5 - SECTION 1513 PROGRAM CARRYOVER

FISCAL YEAR 2017 - 2018

**Section 1513 Program Carryover (FY17/18)**

**A. FY 2017-18 Section 1513 URBAN Grant Agreement**

State Grant	Local Match	Total
\$ 229,808,491	\$ 34,671,274	\$ 264,479,765

**URBAN SECTION 1513 GRANT UTILIZATION  
FOR FISCAL YEAR ENDED JUNE 30, 2018**

- 1 Section 1513 fund balance as of June 30, 2017 (Line 6 minus 13)
- 2 Section 1513 funds received for FY 2017-18
- 3 PTAF Section 1513 funds received for FY 2017-18 (applicable to SEPTA and PAAC)
- 4 Total Section 1513 funds received for FY 2017-18 (Line 2 + 3)
- 5 Interest income earned on Section 1513 funds in FY 2017-18
- 6 Total Section 1513 funds available in FY 2017-18 (Line 1 + 4 + 5)
- 7 Section 1513 funds used for Urban fixed route operating expenses in FY 2017-18
- 8 Section 1513 funds used for Urban non-fixed route operating expenses in FY 2016-17
- 9 Section 1513 funds used for Rural fixed route operating expenses in FY 2016-17
- 10 Section 1513 funds used for Rural non-fixed route operating expenses in FY 2016-17
- 11 Section 1513 funds used for Urban capital costs in FY 2017-18
- 12 Section 1513 funds used for Rural capital costs in FY 2016-17 (waiver required)
- 13 Total Section 1513 used in FY 2016-17 (Line 7 + 8 + 9 + 10 + 11 + 12)
- 14 Section 1513 fund balance as of June 30, 2017 (Line 6 minus 13)

State Grant	Local Match	Total
101,206,623	-	101,206,623
191,192,503	34,671,274	225,863,777
59,966,832		59,966,832
251,159,335	34,671,274	285,830,609
211,802		211,802
352,577,759	34,671,274	387,249,033
211,014,860	34,671,274	245,686,134
-	-	-
-	-	-
-	-	-
21,330,384		21,330,384
-	-	-
232,345,244	34,671,274	267,016,518
\$ 120,232,515	\$ -	\$ 120,232,515

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	13 BRDG_INSP	14 BRDG_INSP	14_SYS_RAIL_TR K	17 BRDG_INSP	17_BRDG_REHA B	17_BRDG_REPAI R	17_PANHDLE_B RDG	17_PIT_TWR_P ANL	50BREAKERS_FY 18	5TH_ATWOOD_ STA	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 192,962	\$ 1,086,716	\$ 1,285,249	\$ 274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292,942	\$ 2,858,143	\$ 2,858,143	\$ -
3	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula										377,601	377,601	377,601	
5	Federal Capital - 5309 - FTA Fixed Guideway	3,902	220,380		436,092							660,375	660,375	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities													
7	Federal Capital - 5309 - FTA New/Small Starts													
8	Federal Capital - 5310 - FTA Senior and PWD													
9	Federal Capital - 5311 - FTA Rural													
10	Federal Capital - 5311 - FTA Other													
11	Federal Capital - 5313/5314 - FTA Research & Tech													
12	Federal Capital - 5316 - FTA JARC													
13	Federal Capital - FLEX													
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)													
15	Federal Capital - 5337 - FTA State of Good Repair		43,586		82,113							125,699	125,699	
16	State - 1513 - Waiver to Use for Capital													
17	State Capital - 1514 - PA Bond Program			123,855							220,230	344,085	344,085	
18	State Capital - 1514 - Discretionary		3,475			4,690	1,356	5,518	15,350	1,348		31,738	31,738	
19	State Capital - 1515 - New Initiatives													
20	State Capital - 1516 - CTC													
21	State Capital - 1516 - Other													
22	State Capital - 1517 - Capital Improvement Program													
23	State Capital - PTAF													
24	State Capital - All Sources Used for Debt Service													
25	State Capital - ASG/BSG													
26	State Capital - Other													
27	Local Match - 1513 - Waiver to Use for Capital													
28	Local Match Capital - 1514 - PA Bond Program													
29	Local Match Capital - 1514 - Discretionary	976	62,516		129,551	156	45	184	512	45	101,739	295,724	295,724	
30	Local Match Capital - 1515 - New Initiatives													
31	Local Match Capital - 1516 - CTC													
32	Local Match Capital - 1516 - Other													
33	Local Match Capital - PTAF													
34	Local Match Capital - All Sources Used for Debt Service													
35	Local Match Capital - ASG/BSG													
36	Local Match Other													
37	Local Contribution													
38	Proceeds from Agency Issued Bonds													
39	Agency Loan Proceeds													
40	Other Financing Transaction Proceeds													
41	Internal Working Capital													
42	Proceeds from Disposition of Assets													
43	Foundations and Non-Profits													
44	Private													
45	Other - Authority Provided													
46	Total Sources of Funds Spent in the Current FY	\$ 4,878	\$ 329,959	\$ 123,855	\$ 647,756	\$ 4,846	\$ 1,402	\$ 5,702	\$ 15,862	\$ 1,392	\$ 699,570	\$ 1,835,223	\$ 1,835,223	\$ -
47	Total Sources of Funds Spent Inception-to-Date	\$ 197,840	\$ 1,416,674	\$ 1,409,104	\$ 648,030	\$ 4,846	\$ 1,402	\$ 5,702	\$ 15,862	\$ 1,392	\$ 992,513	\$ 4,693,365	\$ 4,693,365	\$ -
48	Total Contracted Sources of Funds Inception to Date	\$ 197,840	\$ 1,416,674	\$ 1,409,104	\$ 648,030	\$ 4,846	\$ 1,402	\$ 5,702	\$ 15,862	\$ 1,392	\$ 992,513	\$ 4,693,365	\$ 4,693,365	\$ -
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Includes active projects beginning FY 2014.

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K	
1	Capital Project Title:	APC_SMART_U PS	AUTO_FARE_CO LL	AUTO_TRIP_ST OP	AVALON_LOOP _WAL	BID_DISP_CUST	BLDG_MODS_ WM	BOARD_RM_IM PROV	BROADWAY_TRK _RPL	BRRY_TU_LIGH TING	BRT_DWNTN_2_ OAK	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent	
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ 4,889,524	\$ 1,435,871	\$ 152,005	\$ 1,075,633	\$ 4,147,347	\$ -	\$ 10,152,695	\$ 292,255	\$ 1,155,187	\$ 23,300,516	\$ 23,300,516	\$ -	
	Sources of Funds for the Current Fiscal Year														
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-	-
5	Federal Capital - 5309 - FTA Fixed Guideway		(7,224.00)	\$12,127.70								4,904	4,904	-	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-	-
9	Federal Capital - 5311 - FTA Rural												-	-	-
10	Federal Capital - 5311 - FTA Other												-	-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-	-
12	Federal Capital - 5316 - FTA JARC												-	-	-
13	Federal Capital - FLEX												-	-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-	-
15	Federal Capital - 5337 - FTA State of Good Repair								51,858			51,858	51,858	-	
16	State - 1513 - Waiver to Use for Capital												-	-	-
17	State Capital - 1514 - PA Bond Program		(1,748)	68,456						2,068,584		2,135,292	2,135,292	-	
18	State Capital - 1514 - Discretionary	57,088		2,527	697,196	805,552	3,416,746	141,059	10,806		1,183,585	6,314,558	6,314,558	-	
19	State Capital - 1515 - New Initiatives												-	-	-
20	State Capital - 1516 - CTC												-	-	-
21	State Capital - 1516 - Other												-	-	-
22	State Capital - 1517 - Capital Improvement Program												-	-	-
23	State Capital - PTAF												-	-	-
24	State Capital - All Sources Used for Debt Service												-	-	-
25	State Capital - ASG/BSG												-	-	-
26	State Capital - Other												-	-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-	-
29	Local Match Capital - 1514 - Discretionary	1,902	(58)	505	23,234	26,845	103,798	4,701	2,159	68,935	39,443	271,462	271,462	-	
30	Local Match Capital - 1515 - New Initiatives												-	-	-
31	Local Match Capital - 1516 - CTC												-	-	-
32	Local Match Capital - 1516 - Other												-	-	-
33	Local Match Capital - PTAF												-	-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-	-
35	Local Match Capital - ASG/BSG												-	-	-
36	Local Match Other												-	-	-
37	Local Contribution										1,092,668	1,092,668	1,092,668	-	
38	Proceeds from Agency Issued Bonds												-	-	-
39	Agency Loan Proceeds												-	-	-
40	Other Financing Transaction Proceeds												-	-	-
41	Internal Working Capital												-	-	-
42	Proceeds from Disposition of Assets												-	-	-
43	Foundations and Non-Profits												-	-	-
44	Private												-	-	-
45	Other - Authority Provided									1,913,983		1,913,983	1,913,983	-	
46	Total Sources of Funds Spent in the Current FY	\$ 58,990	\$ (9,030)	\$ 83,615	\$ 720,430	\$ 832,397	\$ 3,520,544	\$ 145,759	\$ 64,823	\$ 4,051,502	\$ 2,315,696	\$ 11,784,726	\$ 11,784,726	\$ -	
												Grand Total			
47	Total Sources of Funds Spent Inception-to-Date	\$ 58,990	\$ 4,880,494	\$ 1,519,486	\$ 872,435	\$ 1,908,029	\$ 7,667,891	\$ 145,759	\$ 10,217,518	\$ 4,343,757	\$ 3,470,882	\$ 35,085,242	\$ 35,085,242	\$ -	
48	Total Contracted Sources of Funds Inception to Date	\$ 58,990	\$ 4,880,494	\$ 1,519,486	\$ 872,435	\$ 1,908,029	\$ 7,667,891	\$ 145,759	\$ 10,217,518	\$ 4,343,757	\$ 3,470,882	\$ 35,085,242	\$ 35,085,242	\$ -	
49	Contracted Sources Less Amount Spent Inception to Dat	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

(Continued)



**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
		BUSWY_SHV_LE D	CBD_CCTV_INST L	CBD_REFIXTURE	CBD_TUNNEL_ LED	CLEVER_FBX_IN TR	COALSCR_SCRE ENS	COLLIER_WIND OWS	CTS_SCDU_UPG RAD	CUSTOMR_SERV_ CTR	DIESEL_TK_RPL _CO	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
1	Capital Project Title:													
2	Expenditures Through the End of the Prior Fiscal Year	\$ 814,523	\$ 93,333	\$ 57,134	\$ -	\$ 477,178	\$ 11,963	\$ -	\$ -	\$ -	\$ 661,883	\$ 2,116,015	\$ 2,116,015	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - S 1602 - FTA Planning											-	-	-
4	Federal Capital - 5307 - FTA Urban Formula					48,000						48,000	48,000	-
5	Federal Capital - 5309 - FTA Fixed Guideway											-	-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities											-	-	-
7	Federal Capital - 5309 - FTA New/Small Starts											-	-	-
8	Federal Capital - 5310 - FTA Senior and PWD											-	-	-
9	Federal Capital - 5311 - FTA Rural											-	-	-
10	Federal Capital - 5311 - FTA Other											-	-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech											-	-	-
12	Federal Capital - 5316 - FTA JARC											-	-	-
13	Federal Capital - FLEX											-	-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)											-	-	-
15	Federal Capital - 5337 - FTA State of Good Repair											-	-	-
16	State - 1513 - Waiver to Use for Capital											-	-	-
17	State Capital - 1514 - PA Bond Program			226,951		10,002	26,753					263,705	263,705	-
18	State Capital - 1514 - Discretionary	96,845	252,032		257			124	272,321	1,674,398	362,294	2,658,272	2,658,272	-
19	State Capital - 1515 - New Initiatives											-	-	-
20	State Capital - 1516 - CTC											-	-	-
21	State Capital - 1516 - Other											-	-	-
22	State Capital - 1517 - Capital Improvement Program											-	-	-
23	State Capital - PTAF											-	-	-
24	State Capital - All Sources Used for Debt Service											-	-	-
25	State Capital - ASG/BSG											-	-	-
26	State Capital - Other											-	-	-
27	Local Match - 1513 - Waiver to Use for Capital											-	-	-
28	Local Match Capital - 1514 - PA Bond Program											-	-	-
29	Local Match Capital - 1514 - Discretionary	3,227	8,399		9	1,998	892	4	9,075	55,799		79,402	79,402	-
30	Local Match Capital - 1515 - New Initiatives											-	-	-
31	Local Match Capital - 1516 - CTC											-	-	-
32	Local Match Capital - 1516 - Other											-	-	-
33	Local Match Capital - PTAF											-	-	-
34	Local Match Capital - All Sources Used for Debt Service											-	-	-
35	Local Match Capital - ASG/BSG											-	-	-
36	Local Match Other											-	-	-
37	Local Contribution											-	-	-
38	Proceeds from Agency Issued Bonds											-	-	-
39	Agency Loan Proceeds											-	-	-
40	Other Financing Transaction Proceeds											-	-	-
41	Internal Working Capital											-	-	-
42	Proceeds from Disposition of Assets											-	-	-
43	Foundations and Non-Profits											-	-	-
44	Private											-	-	-
45	Other - Authority Provided											-	-	-
46	Total Sources of Funds Spent in the Current FY	\$ 100,073	\$ 260,431	\$ 226,951	\$ 266	\$ 60,000	\$ 27,644	\$ 128	\$ 281,396	\$ 1,730,197	\$ 362,294	\$ 3,049,379	\$ 3,049,379	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 914,596	\$ 353,764	\$ 284,085	\$ 266	\$ 537,178	\$ 39,607	\$ 128	\$ 281,396	\$ 1,730,197	\$ 1,024,177	\$ 5,165,394		
48	Total Contracted Sources of Funds Inception to Date	\$ 914,596	\$ 353,764	\$ 284,085	\$ 266	\$ 537,178	\$ 39,607	\$ 128	\$ 281,396	\$ 1,730,197	\$ 1,024,177	\$ 5,165,394		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	DR_OCC_NIMBLE	DRIVER_SHIELDS	DRUM_RM_CO NTAIN	E_BSWY_SLOPE	E_BSWY_VIADUCT	EL_BUS_TANK_RPL	EMBEDDED_SW_RPL	EMER_GEN_SHV	EMER_SIGN_RE PL	EMER_TELEPHONES	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ 8,956	\$ -	\$ 43,419	\$ 311,367	\$ 100,002	\$ 134,503	\$ 147,072	\$ 45,686	\$ 137,750	\$ 928,754	\$ 928,754	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair												-	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program										280,296	280,296	280,296	-
18	State Capital - 1514 - Discretionary	250,546	170,473	878	10,191	2,374,780	58,322	1,258,144	43,036	7,837		4,174,208	4,174,208	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	8,349	5,681	29	340	79,139	1,944	41,927	1,434	261	9,341	148,445	148,445	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided												-	-
46	Total Sources of Funds Spent in the Current FY	\$ 258,896	\$ 176,154	\$ 907	\$ 10,531	\$ 2,453,919	\$ 60,266	\$ 1,300,072	\$ 44,470	\$ 8,098	\$ 289,637	\$ 4,602,949	\$ 4,602,949	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 258,896	\$ 185,109	\$ 907	\$ 53,950	\$ 2,765,286	\$ 160,268	\$ 1,434,575	\$ 191,542	\$ 53,784	\$ 427,387	\$ 5,531,703		
48	Total Contracted Sources of Funds Inception to Date	\$ 258,896	\$ 185,109	\$ 907	\$ 53,950	\$ 2,765,286	\$ 160,268	\$ 1,434,575	\$ 191,542	\$ 53,784	\$ 427,387	\$ 5,531,703		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	EMSWORTH_B RIDGE	FACILITY_IMPRO V	FALL_PROTECT MAN	FALL_PROTECT SHV	FOREST_HILL_P NR	FY14_NRV_REP LAC	FY15_NRV_REP LAC	FY16_BRDGE_R EP	FY16_BUS_PROG	FY16_NRV_REP LAC	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 1,650,601	\$ 7,688,747	\$ 223,599	\$ 347,428	\$ -	\$ 1,004,443	\$ 1,240,262	\$ 402,981	\$ 32,960,220	\$ 56,314	\$ 45,574,596	\$ 45,574,596	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula						12,135	159,794			738,638	910,566	910,566	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5339 - FTA Bus/Bus Facilities									8,936		8,936	8,936	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair				1,792							1,792	1,792	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	2,466,354	7,685,907	171,974	373	34,074		61,464	203,255	1,862	95,421	10,720,684	10,720,684	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	82,191	227,774	5,731	75	1,135	3,034	7,590	6,773	372	187,839	522,514	522,514	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided												-	-
46	Total Sources of Funds Spent in the Current FY	\$ 2,548,545	\$ 7,913,681	\$ 177,705	\$ 2,240	\$ 35,209	\$ 15,169	\$ 228,848	\$ 210,028	\$ 11,170	\$ 1,021,898	\$ 12,164,492	\$ 12,164,492	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 4,199,146	\$ 15,602,428	\$ 401,304	\$ 349,668	\$ 35,209	\$ 1,019,612	\$ 1,469,110	\$ 613,009	\$ 32,971,390	\$ 1,078,212	\$ 57,739,088		
48	Total Contracted Sources of Funds Inception to Date	\$ 4,199,146	\$ 15,602,428	\$ 401,304	\$ 349,668	\$ 35,209	\$ 1,019,612	\$ 1,469,110	\$ 613,009	\$ 32,971,390	\$ 1,078,212	\$ 57,739,088		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	FY16_SHOP_EQ UIP	FY17_18_INC_ UPG	FY17_BUS_PROG	FY17_LED_UPG RAD	FY17_MAN_EN GINE	FY17_NRV_REP LAC	FY17_PAINT_BT H	FY17_REPL_DO ORS	FY17_ROS_TUR BNE	FY17_SHOP_H OIST	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 427,718	\$ -	\$ 759,165	\$ 11,339	\$ -	\$ 12,785	\$ 63,155	\$ -	\$ 25,352	\$ 65,417	\$ 1,364,931	\$ 1,364,931	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula	56,166		27,653,026								27,709,192	27,709,192	
5	Federal Capital - 5309 - FTA Fixed Guideway			457,117								457,117	457,117	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities													
7	Federal Capital - 5309 - FTA New/Small Starts													
8	Federal Capital - 5310 - FTA Senior and PWD													
9	Federal Capital - 5311 - FTA Rural													
10	Federal Capital - 5311 - FTA Other													
11	Federal Capital - 5313/5314 - FTA Research & Tech													
12	Federal Capital - 5316 - FTA JARC													
13	Federal Capital - FLEX			2,752,549								2,752,549	2,752,549	
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)													
15	Federal Capital - 5337 - FTA State of Good Repair													
16	State - 1513 - Waiver to Use for Capital													
17	State Capital - 1514 - PA Bond Program													
18	State Capital - 1514 - Discretionary		76,711	18,644,293	252,474	119,223	601,652	331,416	5,041	41,941	300,091	20,372,842	20,372,842	
19	State Capital - 1515 - New Initiatives													
20	State Capital - 1516 - CTC													
21	State Capital - 1516 - Other													
22	State Capital - 1517 - Capital Improvement Program													
23	State Capital - PTAF													
24	State Capital - All Sources Used for Debt Service													
25	State Capital - ASG/BSG													
26	State Capital - Other													
27	Local Match - 1513 - Waiver to Use for Capital													
28	Local Match Capital - 1514 - PA Bond Program													
29	Local Match Capital - 1514 - Discretionary	14,042	2,556	1,718,936	8,414	3,973	20,050	11,044	168	1,398	10,000	1,790,581	1,790,581	
30	Local Match Capital - 1515 - New Initiatives													
31	Local Match Capital - 1516 - CTC													
32	Local Match Capital - 1516 - Other													
33	Local Match Capital - PTAF													
34	Local Match Capital - All Sources Used for Debt Service													
35	Local Match Capital - ASG/BSG													
36	Local Match Other													
37	Local Contribution													
38	Proceeds from Agency Issued Bonds													
39	Agency Loan Proceeds													
40	Other Financing Transaction Proceeds													
41	Internal Working Capital													
42	Proceeds from Disposition of Assets													
43	Foundations and Non-Profits													
44	Private													
45	Other - Authority Provided			208,511								208,511	208,511	
46	Total Sources of Funds Spent in the Current FY	\$ 70,208	\$ 79,267	\$ 51,434,431	\$ 260,888	\$ 123,196	\$ 621,702	\$ 342,460	\$ 5,209	\$ 43,339	\$ 310,092	\$ 53,290,793	\$ 53,290,793	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 497,926	\$ 79,267	\$ 52,193,597	\$ 272,227	\$ 123,196	\$ 634,487	\$ 405,615	\$ 5,209	\$ 68,691	\$ 375,509	\$ 54,655,724		
48	Total Contracted Sources of Funds Inception to Date	\$ 497,926	\$ 79,267	\$ 52,193,597	\$ 272,227	\$ 123,196	\$ 634,487	\$ 405,615	\$ 5,209	\$ 68,691	\$ 375,509	\$ 54,655,724		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A-J)	L	M=L-K
1	Capital Project Title:	FY17_VOH_BUS	FY17_VOH_RAIL	FY17BUS_TRN_SML	FY17EL_EMER_GEN	FY17EL_PAS_EL_EV	FY17MN_SHV_HVAC	FY17MTWASH_LGHT	FY17OCC_UPS_RPL	FY17PIT_FIRESYS	FY17WN_SEPAR_ATR	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 3,415,540	\$ 1,503,920	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,919,461	\$ 4,919,461	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula													
5	Federal Capital - 5309 - FTA Fixed Guideway													
6	Federal Capital - 5309 - FTA Bus/Bus Facilities													
7	Federal Capital - 5309 - FTA New/Small Starts													
8	Federal Capital - 5310 - FTA Senior and PWD													
9	Federal Capital - 5311 - FTA Rural													
10	Federal Capital - 5311 - FTA Other													
11	Federal Capital - 5313/5314 - FTA Research & Tech													
12	Federal Capital - 5316 - FTA JARC													
13	Federal Capital - FLEX													
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)													
15	Federal Capital - 5337 - FTA State of Good Repair													
16	State - 1513 - Waiver to Use for Capital													
17	State Capital - 1514 - PA Bond Program													
18	State Capital - 1514 - Discretionary	296,214	3,944,802	14,033	14,096	5,950	77,450	62,301	7,546	12,236	62,261	4,496,890	4,496,890	
19	State Capital - 1515 - New Initiatives													
20	State Capital - 1516 - CTC													
21	State Capital - 1516 - Other													
22	State Capital - 1517 - Capital Improvement Program													
23	State Capital - PTAF													
24	State Capital - All Sources Used for Debt Service													
25	State Capital - ASG/BSG													
26	State Capital - Other													
27	Local Match - 1513 - Waiver to Use for Capital													
28	Local Match Capital - 1514 - PA Bond Program													
29	Local Match Capital - 1514 - Discretionary	9,871	121,793	468	470	198	2,581	2,076	251	408	2,075	140,191	140,191	
30	Local Match Capital - 1515 - New Initiatives													
31	Local Match Capital - 1516 - CTC													
32	Local Match Capital - 1516 - Other													
33	Local Match Capital - PTAF													
34	Local Match Capital - All Sources Used for Debt Service													
35	Local Match Capital - ASG/BSG													
36	Local Match Other													
37	Local Contribution													
38	Proceeds from Agency Issued Bonds													
39	Agency Loan Proceeds													
40	Other Financing Transaction Proceeds													
41	Internal Working Capital													
42	Proceeds from Disposition of Assets													
43	Foundations and Non-Profits													
44	Private													
45	Other - Authority Provided													
46	Total Sources of Funds Spent in the Current FY	\$ 306,086	\$ 4,066,595	\$ 14,501	\$ 14,566	\$ 6,148	\$ 80,031	\$ 64,378	\$ 7,798	\$ 12,644	\$ 64,336	\$ 4,637,081	\$ 4,637,081	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 3,721,626	\$ 5,570,516	\$ 14,501	\$ 14,566	\$ 6,148	\$ 80,031	\$ 64,378	\$ 7,798	\$ 12,644	\$ 64,336	\$ 9,556,542		
48	Total Contracted Sources of Funds Inception to Date	\$ 3,721,626	\$ 5,570,516	\$ 14,501	\$ 14,566	\$ 6,148	\$ 80,031	\$ 64,378	\$ 7,798	\$ 12,644	\$ 64,336	\$ 9,556,542		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	FY18_CCOC_ACC ES	FY18_GRANTS_ MGT	FY18_HEINZ_LE AS	FY18_PREV_MAI NT	FY18_SHOP_E QUIP	FY18_VOH_BUS	GABION_WALL _COL	HOMEWOOD_ GREEN	LOCK_TEST_RE Q	LRS_GRD_CRS_I MP	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,913	\$ -	\$ -	\$ 102,100	\$ 117,013	\$ 117,013	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair	10,531,445	109,102	64,835	21,600,000							32,305,381	32,305,381	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	2,547,951				161,823	3,086,952	377,624	26,711	48,184	78,936	6,328,182	6,328,182	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	84,910	27,275	16,209	5,400,000	5,393	102,872	12,584	890	1,606	2,631	5,654,369	5,654,369	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided		4,011									4,011	4,011	-
46	Total Sources of Funds Spent in the Current FY	\$ 13,164,306	\$ 140,389	\$ 81,043	\$ 27,000,000	\$ 167,216	\$ 3,189,824	\$ 390,208	\$ 27,601	\$ 49,790	\$ 81,567	\$ 44,291,943	\$ 44,291,943	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 13,164,306	\$ 140,389	\$ 81,043	\$ 27,000,000	\$ 167,216	\$ 3,189,824	\$ 405,121	\$ 27,601	\$ 49,790	\$ 183,667	\$ 44,408,956		
48	Total Contracted Sources of Funds Inception to Date	\$ 13,164,306	\$ 140,389	\$ 81,043	\$ 27,000,000	\$ 167,216	\$ 3,189,824	\$ 405,121	\$ 27,601	\$ 49,790	\$ 183,667	\$ 44,408,956		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A-J)	L	M=L-K
1	Capital Project Title:	LRV_ASSET_CO ND	MAINT_WO_SY STEM	MAN_DEMO_D ECK	MAN_SITE_IMP RV	MS_SHAREPOIN T	MT_LEB_TUN_S EAL	MT_LEBO_TUN FAN	MTC_PNR_IMPR OV	MTC_PNR_LOT	N_BRADDOCK_ BRDG	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 224,990	\$ 5,640,601	\$ 7,028,707	\$ 105,768	\$ 20,600	\$ 51,532	\$ 57,362	\$ -	\$ 453,223	\$ 414,097	\$ 13,996,881	\$ 13,996,881	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula													
5	Federal Capital - 5309 - FTA Fixed Guideway		323,888									323,888	323,888	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities													
7	Federal Capital - 5309 - FTA New/Small Starts													
8	Federal Capital - 5310 - FTA Senior and PWD													
9	Federal Capital - 5311 - FTA Rural													
10	Federal Capital - 5311 - FTA Other													
11	Federal Capital - 5313/5314 - FTA Research & Tech													
12	Federal Capital - 5316 - FTA JARC													
13	Federal Capital - FLEX													
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)													
15	Federal Capital - 5337 - FTA State of Good Repair													
16	State - 1513 - Waiver to Use for Capital													
17	State Capital - 1514 - PA Bond Program													
18	State Capital - 1514 - Discretionary	336,161	817,406	109,063	1,543,039	641,336	2,849,201	506,609	12,263	535,341	57,445	7,407,864	7,407,864	
19	State Capital - 1515 - New Initiatives													
20	State Capital - 1516 - CTC													
21	State Capital - 1516 - Other													
22	State Capital - 1517 - Capital Improvement Program													
23	State Capital - PTAF													
24	State Capital - All Sources Used for Debt Service													
25	State Capital - ASG/BSG													
26	State Capital - Other													
27	Local Match - 1513 - Waiver to Use for Capital													
28	Local Match Capital - 1514 - PA Bond Program													
29	Local Match Capital - 1514 - Discretionary	11,202	38,473		51,421	21,372	94,949	16,883	409	212,270		446,979	446,979	
30	Local Match Capital - 1515 - New Initiatives													
31	Local Match Capital - 1516 - CTC													
32	Local Match Capital - 1516 - Other													
33	Local Match Capital - PTAF													
34	Local Match Capital - All Sources Used for Debt Service													
35	Local Match Capital - ASG/BSG													
36	Local Match Other													
37	Local Contribution													
38	Proceeds from Agency Issued Bonds													
39	Agency Loan Proceeds													
40	Other Financing Transaction Proceeds													
41	Internal Working Capital													
42	Proceeds from Disposition of Assets													
43	Foundations and Non-Profits													
44	Private													
45	Other - Authority Provided													
46	Total Sources of Funds Spent in the Current FY	\$ 347,364	\$ 1,179,767	\$ 109,063	\$ 1,594,460	\$ 662,709	\$ 2,944,149	\$ 523,492	\$ 12,671	\$ 747,611	\$ 57,445	\$ 8,178,731	\$ 8,178,731	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 572,354	\$ 6,820,368	\$ 7,137,770	\$ 1,700,228	\$ 20,600	\$ 2,995,681	\$ 580,855	\$ 12,671	\$ 1,200,834	\$ 471,542	\$ 22,175,611		
48	Total Contracted Sources of Funds Inception to Date	\$ 572,354	\$ 6,820,368	\$ 7,137,770	\$ 1,700,228	\$ 20,600	\$ 2,995,681	\$ 580,855	\$ 12,671	\$ 1,200,834	\$ 471,542	\$ 22,175,611		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	NEVILLE_RAMP BR	NEXT_TRAIN	NSC_BA_STUDY	NSC_CONST_M GMT	NSC_TRAIN_SYS	OMRV_REPLACE MNT	PAINT_BOOTH_ COL	PAVING_IMPR_ SHV	PERIMTR_PAV_ ROS	PIT_TWR_HLDG _CL	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 2,957,240	\$ 5,945,291	\$ 59,594	\$ 255,774	\$ 554,015	\$ 13,987	\$ 92,642	\$ 2,750,090	\$ 2,634,347	\$ -	\$ 15,262,982	\$ 15,262,982	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair		174,910									174,910	174,910	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	3,933,547	74,444				5,589	54,146	3,165,571	26,915	19,761	7,279,973	7,279,973	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	6,005	8,547				186	1,804			659	17,201	17,201	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided			1,273	37,580	632,806						671,659	671,659	-
46	Total Sources of Funds Spent in the Current FY	\$ 3,939,552	\$ 257,901	\$ 1,273	\$ 37,580	\$ 632,806	\$ 5,775	\$ 55,950	\$ 3,165,571	\$ 26,915	\$ 20,420	\$ 8,143,743	\$ 8,143,743	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 6,896,792	\$ 6,203,192	\$ 60,867	\$ 293,354	\$ 1,186,821	\$ 19,763	\$ 148,593	\$ 5,915,661	\$ 2,661,263	\$ 20,420	\$ 23,406,725		
48	Total Contracted Sources of Funds Inception to Date	\$ 6,896,792	\$ 6,203,192	\$ 60,867	\$ 293,354	\$ 1,186,821	\$ 19,763	\$ 148,593	\$ 5,915,661	\$ 2,661,263	\$ 20,420	\$ 23,406,725		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)



**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	PNR_PAVING_R OSS	POL_TRAIN_DRI LL	POLICE_OPACK S	POTOMAC_CR OSSNG	PS_HCM_UPG_ 92	PS_UPGRADE_2 016	RAIL_CONC_RE PL	RAIL_PROOF_P YMT	RAIL_REPLC_PR OG	RAIL_SIMULATR 18	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 110,639	\$ 332,765	\$ 3,571	\$ 79,978	\$ -	\$ 2,026,185	\$ -	\$ 1,931,346	\$ -	\$ -	\$ 4,484,484	\$ 4,484,484	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other		42,304	4,650								46,954	46,954	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair												-	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	332,606			31,564	517,632	2,177,879	26,587	726,247	13,770	526	3,826,810	3,826,810	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	11,084			1,052	17,250	72,577	886	24,202	459	18	127,527	127,527	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided												-	-
46	Total Sources of Funds Spent in the Current FY	\$ 343,690	\$ 42,304	\$ 4,650	\$ 32,616	\$ 534,882	\$ 2,250,456	\$ 27,473	\$ 750,449	\$ 14,229	\$ 543	\$ 4,001,291	\$ 4,001,291	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 454,329	\$ 375,069	\$ 8,221	\$ 112,594	\$ 534,882	\$ 4,276,641	\$ 27,473	\$ 2,681,795	\$ 14,229	\$ 543	\$ 8,485,776		
48	Total Contracted Sources of Funds Inception to Date	\$ 454,329	\$ 375,069	\$ 8,221	\$ 112,594	\$ 534,882	\$ 4,276,641	\$ 27,473	\$ 2,681,795	\$ 14,229	\$ 543	\$ 8,485,776		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A-J)	L	M=L-K
1	Capital Project Title:	RAVE_PNR	REAL_TIME_SIG NS	RESTRAIN_RAIL	ROOF_FAN_RPL _18	ROOF_REPL_CO LLR	ROOF_SHJ_BLD GS	RR_CROSSING_I MPR	RR_CRSSING_FY 18	S_BSWY_REHAB	S_BSWAY_EVAL	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ 14,889	\$ -	\$ -	\$ 3,777,837	\$ 82,972	\$ 225,037	\$ -	\$ -	\$ -	\$ 4,100,736	\$ 4,100,736	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair												-	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	17,170	39,587	20,196	157	124,206	351,957	25,822	4,642	29,412	15,128	628,276	628,276	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	572	1,319	673	5	2,456	11,729	852	155	980	504	19,246	19,246	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided												-	-
46	Total Sources of Funds Spent in the Current FY	\$ 17,742	\$ 40,906	\$ 20,869	\$ 162	\$ 126,662	\$ 363,685	\$ 26,675	\$ 4,796	\$ 30,392	\$ 15,632	\$ 647,522	\$ 647,522	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 17,742	\$ 55,795	\$ 20,869	\$ 162	\$ 3,904,500	\$ 446,657	\$ 251,712	\$ 4,796	\$ 30,392	\$ 15,632	\$ 4,748,258	\$ 4,748,258	\$ -
48	Total Contracted Sources of Funds Inception to Date	\$ 17,742	\$ 55,795	\$ 20,869	\$ 162	\$ 3,904,500	\$ 446,657	\$ 251,712	\$ 4,796	\$ 30,392	\$ 15,632	\$ 4,748,258	\$ 4,748,258	\$ -
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	SHELTER_REPLA CE	SHJ_SITE_IMPR OV	SHJ_SUBST- WRK	SHOP_HOIST_R EPL	SHV_CAMERAS LRV	SHV_KSS_RDE_ ALT	SHV_PARK_LIG HTN	SHV_PIT_REPAI RS	ST_ANNE_PNR	STATION_IMP_P RG	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ -	\$ 194,253	\$ 1,502,251	\$ -	\$ 16,903	\$ -	\$ -	\$ -	\$ 48,609	\$ 4,056,605	\$ 4,056,605	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning												-	-
4	Federal Capital - 5307 - FTA Urban Formula												-	-
5	Federal Capital - 5309 - FTA Fixed Guideway												-	-
6	Federal Capital - 5309 - FTA Bus/Bus Facilities												-	-
7	Federal Capital - 5309 - FTA New/Small Starts												-	-
8	Federal Capital - 5310 - FTA Senior and PWD												-	-
9	Federal Capital - 5311 - FTA Rural												-	-
10	Federal Capital - 5311 - FTA Other												-	-
11	Federal Capital - 5313/5314 - FTA Research & Tech												-	-
12	Federal Capital - 5316 - FTA JARC												-	-
13	Federal Capital - FLEX												-	-
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)												-	-
15	Federal Capital - 5337 - FTA State of Good Repair												-	-
16	State - 1513 - Waiver to Use for Capital												-	-
17	State Capital - 1514 - PA Bond Program												-	-
18	State Capital - 1514 - Discretionary	7,295	18,635	98,180	2,656,511	1,043,126	58,978	21,270	74,891	5,608	895,705	4,880,198	4,880,198	-
19	State Capital - 1515 - New Initiatives												-	-
20	State Capital - 1516 - CTC												-	-
21	State Capital - 1516 - Other												-	-
22	State Capital - 1517 - Capital Improvement Program												-	-
23	State Capital - PTAF												-	-
24	State Capital - All Sources Used for Debt Service												-	-
25	State Capital - ASG/BSG												-	-
26	State Capital - Other												-	-
27	Local Match - 1513 - Waiver to Use for Capital												-	-
28	Local Match Capital - 1514 - PA Bond Program												-	-
29	Local Match Capital - 1514 - Discretionary	243	621		77,572	34,762	1,965	709	2,496	187	29,849	148,404	148,404	-
30	Local Match Capital - 1515 - New Initiatives												-	-
31	Local Match Capital - 1516 - CTC												-	-
32	Local Match Capital - 1516 - Other												-	-
33	Local Match Capital - PTAF												-	-
34	Local Match Capital - All Sources Used for Debt Service												-	-
35	Local Match Capital - ASG/BSG												-	-
36	Local Match Other												-	-
37	Local Contribution												-	-
38	Proceeds from Agency Issued Bonds												-	-
39	Agency Loan Proceeds												-	-
40	Other Financing Transaction Proceeds												-	-
41	Internal Working Capital												-	-
42	Proceeds from Disposition of Assets												-	-
43	Foundations and Non-Profits												-	-
44	Private												-	-
45	Other - Authority Provided												-	-
46	Total Sources of Funds Spent in the Current FY	\$ 7,538	\$ 19,255	\$ 98,180	\$ 2,734,083	\$ 1,077,887	\$ 60,943	\$ 21,979	\$ 77,387	\$ 5,795	\$ 925,554	\$ 5,028,602	\$ 5,028,602	\$ -
												Grand Total		
47	Total Sources of Funds Spent Inception-to-Date	\$ 7,538	\$ 19,255	\$ 292,433	\$ 4,236,335	\$ 1,077,887	\$ 77,846	\$ 21,979	\$ 77,387	\$ 5,795	\$ 974,163	\$ 9,085,206		
48	Total Contracted Sources of Funds Inception to Date	\$ 7,538	\$ 19,255	\$ 292,433	\$ 4,236,335	\$ 1,077,887	\$ 77,846	\$ 21,979	\$ 77,387	\$ 5,795	\$ 974,163	\$ 9,085,206		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

(Continued)

**PORT AUTHORITY OF ALLEGHENY COUNTY**

**CAPITAL REPORT #1**

**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A:J)	L	M=L-K
1	Capital Project Title:	STG1_IMPROV_SIP	STOR_TANK_REPS	SWITCH_MACH_REP	SYS_TRK_RAIL	TAM_PLAN	TELECOM_UPG_RADE	TRD_REPL_SWT_CH	TRK_TIE_INCLIN_E	TRK_WEAR_INS_PEC	VACUUM_TRK_PAD	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ 159,296	\$ -	\$ -	\$ 48,118	\$ -	\$ -	\$ 94,969	\$ 4,940,695	\$ -	\$ 82,908	\$ 6,100,902	\$ 6,100,902	\$ -
	Sources of Funds for the Current Fiscal Year													
3	Federal Capital - 5303/5304/5305 - FTA Planning													
4	Federal Capital - 5307 - FTA Urban Formula										2,457	2,457	2,457	
5	Federal Capital - 5309 - FTA Fixed Guideway													
6	Federal Capital - 5309 - FTA Bus/Bus Facilities													
7	Federal Capital - 5309 - FTA New/Small Starts													
8	Federal Capital - 5310 - FTA Senior and PWD													
9	Federal Capital - 5311 - FTA Rural													
10	Federal Capital - 5311 - FTA Other													
11	Federal Capital - 5313/5314 - FTA Research & Tech													
12	Federal Capital - 5316 - FTA JARC													
13	Federal Capital - FLEX													
14	Federal Capital FHWA Programs (CMAQ, ITS, STP,...)													
15	Federal Capital - 5337 - FTA State of Good Repair													
16	State - 1513 - Waiver to Use for Capital													
17	State Capital - 1514 - PA Bond Program													
18	State Capital - 1514 - Discretionary	500,055	70,135	452,201	328,941	89,566	102,040	30,940	14,296	31,919	218,451	1,838,544	1,838,544	
19	State Capital - 1515 - New Initiatives													
20	State Capital - 1516 - CTC													
21	State Capital - 1516 - Other													
22	State Capital - 1517 - Capital Improvement Program													
23	State Capital - PTAF													
24	State Capital - All Sources Used for Debt Service													
25	State Capital - ASG/BSG													
26	State Capital - Other													
27	Local Match - 1513 - Waiver to Use for Capital													
28	Local Match Capital - 1514 - PA Bond Program													
29	Local Match Capital - 1514 - Discretionary	16,664	2,337	15,069	9,692	2,985	3,400	1,031	476	1,064	7,365	60,085	60,085	
30	Local Match Capital - 1515 - New Initiatives													
31	Local Match Capital - 1516 - CTC													
32	Local Match Capital - 1516 - Other													
33	Local Match Capital - PTAF													
34	Local Match Capital - All Sources Used for Debt Service													
35	Local Match Capital - ASG/BSG													
36	Local Match Other													
37	Local Contribution													
38	Proceeds from Agency Issued Bonds													
39	Agency Loan Proceeds													
40	Other Financing Transaction Proceeds													
41	Internal Working Capital													
42	Proceeds from Disposition of Assets													
43	Foundations and Non-Profits													
44	Private													
45	Other - Authority Provided				24,222							24,222	24,222	
46	Total Sources of Funds Spent in the Current FY	\$ 516,719	\$ 72,472	\$ 467,270	\$ 362,855	\$ 92,551	\$ 105,440	\$ 31,971	\$ 14,772	\$ 32,982	\$ 228,273	\$ 1,925,307	\$ 1,925,307	\$ -
												<b>Grand Total</b>		
47	Total Sources of Funds Spent Inception-to-Date	\$ 676,015	\$ 72,472	\$ 467,270	\$ 410,973	\$ 92,551	\$ 105,440	\$ 126,940	\$ 4,955,467	\$ 32,982	\$ 311,181	\$ 8,026,208		
48	Total Contracted Sources of Funds Inception to Date	\$ 676,015	\$ 72,472	\$ 467,270	\$ 410,973	\$ 92,551	\$ 105,440	\$ 126,940	\$ 4,955,467	\$ 32,982	\$ 311,181	\$ 8,026,208		
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

**PORT AUTHORITY OF ALLEGHENY COUNTY**  
**CAPITAL REPORT #1**  
**FISCAL YEAR AND INCEPTION-TO-DATE CAPITAL PROJECT SPENDING**

1	FY 2018	A	B	C	D	E	F	G	H	I	J	K=SUM (A-J)	L	M=L-K	Grand Totals		
	Capital Project Title:	VIEW_BLADE_S RVS	VM_HORIZON_ UPG	WASH_RACK_EL	WASH_RCK_ROS CL	WASTEWATER_ WM	WAYFINDING	WD_STPLZ_RE PAIR	WEBSITE_REDE SIG	WHEEL_CHIP_ EVAL	WOOD_FIRE_ PANEL	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent	Total Spent	Total Granted Funds	Granted Funds Less Amt Spent
2	Expenditures Through the End of the Prior Fiscal Year	\$ -	\$ -	\$ 760,637	\$ 14,279	\$ 37,521	\$ 954,759	\$ -	\$ 163,000	\$ 356,747	\$ -	\$ 2,286,943	\$ 2,286,943	\$ -	\$ 131,468,962	\$ 131,468,962	\$ -
	Sources of Funds for the Current Fiscal Year																
3	Federal Capital - 5303/5304/5305 - FTA Planning																
4	Federal Capital - 5307 - FTA Urban Formula														29,047,817	29,047,817	
5	Federal Capital - 5309 - FTA Fixed Guideway									30,880		30,880	30,880		1,477,164	1,477,164	
6	Federal Capital - 5309 - FTA Bus/Bus Facilities														8,936	8,936	
7	Federal Capital - 5309 - FTA New/Small Starts																
8	Federal Capital - 5310 - FTA Senior and PWD																
9	Federal Capital - 5311 - FTA Rural																
10	Federal Capital - 5311 - FTA Other														46,954	46,954	
11	Federal Capital - 5313/5314 - FTA Research & Tech																
12	Federal Capital - 5316 - FTA JARC																
13	Federal Capital - FLEX														2,752,549	2,752,549	
14	Federal Capital FHWA Programs (CMAQ, ITS, STP, ...)																
15	Federal Capital - 5337 - FTA State of Good Repair														32,659,641	32,659,641	
16	State - 1513 - Waiver to Use for Capital																
17	State Capital - 1514 - PA Bond Program														3,023,378	3,023,378	
18	State Capital - 1514 - Discretionary	213,523	936,415	18,945	152,202	8,581	617,716	102,907	80,268		174,619	2,305,177	2,305,177		83,264,215	83,264,215	
19	State Capital - 1515 - New Initiatives																
20	State Capital - 1516 - CTC																
21	State Capital - 1516 - Other																
22	State Capital - 1517 - Capital Improvement Program																
23	State Capital - PTAF																
24	State Capital - All Sources Used for Debt Service																
25	State Capital - ASG/BSG																
26	State Capital - Other																
27	Local Match - 1513 - Waiver to Use for Capital																
28	Local Match Capital - 1514 - PA Bond Program																
29	Local Match Capital - 1514 - Discretionary	7,116	31,206	631	5,072	286	20,585	3,429	2,675	7,720	5,819	84,539	84,539		9,806,670	9,806,670	
30	Local Match Capital - 1515 - New Initiatives																
31	Local Match Capital - 1516 - CTC																
32	Local Match Capital - 1516 - Other																
33	Local Match Capital - PTAF																
34	Local Match Capital - All Sources Used for Debt Service																
35	Local Match Capital - ASG/BSG																
36	Local Match Other																
37	Local Contribution														1,092,668	1,092,668	
38	Proceeds from Agency Issued Bonds																
39	Agency Loan Proceeds																
40	Other Financing Transaction Proceeds																
41	Internal Working Capital																
42	Proceeds from Disposition of Assets																
43	Foundations and Non-Profits																
44	Private																
45	Other - Authority Provided														2,822,385	2,822,385	
46	Total Sources of Funds Spent in the Current FY	\$ 220,639	\$ 967,621	\$ 19,576	\$ 157,274	\$ 8,867	\$ 638,301	\$ 106,336	\$ 82,943	\$ 38,600	\$ 180,438	\$ 2,420,596	\$ 2,420,596	\$ -	\$ 166,002,378	\$ 166,002,378	\$ -
47	Total Sources of Funds Spent Inception-to-Date	\$ 220,639	\$ 967,621	\$ 780,214	\$ 171,554	\$ 46,388	\$ 1,593,060	\$ 106,336	\$ 245,943	\$ 395,346	\$ 180,438	\$ 4,707,539	\$ 4,707,539	\$ -	\$ 297,471,340	\$ 297,471,340	\$ -
48	Total Contracted Sources of Funds Inception to Date	\$ 220,639	\$ 967,621	\$ 780,214	\$ 171,554	\$ 46,388	\$ 1,593,060	\$ 106,336	\$ 245,943	\$ 395,346	\$ 180,438	\$ 4,707,539	\$ 4,707,539	\$ -	\$ 297,471,340	\$ 297,471,340	\$ -
49	Contracted Sources Less Amount Spent Inception to Date	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Concluded)

**CAPITAL REPORT #3  
REQUEST TO FINANCE CAPITAL PROJECTS AND FINAL FINANCING DATA**

A	B	C
	<u>Request for Approval to Finance Capital Projects</u>	<u>Final Actual Financing</u>
<b>Transaction Summary Data:</b>		
1 Agency Name		Port Authority of Allegheny County
2 Financing Title		Special Revenue Transportation Bonds, Refunding Series of 2011
3 Amount to be Financed		\$252,845,000
4 Term of Financing		18 Years Issue Date: 03/01/2011 Last Maturity: 03/01/2029
5 Interest Rate Type		Fixed
6 If Variable Interest Rate: Basis for Variability		N/A
7 Average Annual Interest Rate		\$0
8 Average Annual Debt Service		\$22,084,780
9 Cumulative Debt Service		\$397,526,033
<b>Amount of Financing Proceeds to be Used for:</b>		
10 Capital Projects		\$0
11 Loan Fees/Cost of Issuance/Insurance		\$1,711,805
12 Reserve or Contingency Funds		\$0
13 Capitalized Interest		\$0
14 Defeasance/Refunding/Refinancing		\$271,461,800
15 Other Purposes		\$4,571
16 Total Proceeds	\$0.00	\$273,178,177
<b>If This Transaction Refinances/Refunds a Prior Transaction:</b>		
17 Amount of Average Annual Debt Service for Prior Transaction		\$19,749,518
18 Increase (Decrease) in Average Annual Debt Service		\$2,335,261
19 Cumulative Debt Service Planned to be Paid for Prior Transaction		\$355,491,331
20 Increase (Decrease) in Cumulative Debt Service		\$42,034,701
21 Amount Financed from Prior Transaction		\$229,790,000
22 Increase (Decrease) in Amount Financed		\$23,055,000
23 Termination Date of Prior Transaction		\$47,178
24 Termination Date of Current Transaction		\$47,178
<b>Sources of Payment of Debt Service:</b>		
25 Commonwealth PTAF Payments		\$22,084,780
26		
27		
28		
29		
30		
31 Estimated Annual Amount of Total Sources	\$0.00	\$22,084,780