RTAChicago.org

MEETING OF THE RTA BOARD OF DIRECTORS JUNE 17, 2021

Welcome!

Meeting Starts at 9 a.m.

Meeting Agenda

@ RTAChicago.org/about-us/board-meetings

Regional Transportation Authority

RTA BOARD OF DIRECTORS MEETING

1. CALL TO ORDER

Please feel free to listen to the meeting and view slides related to it here.

The meeting agenda can be found at www.rtachicago.org/about-us/board-meetings

PLEDGE OF ALLEGIANCE

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RTA BOARD OF DIRECTORS MEETING

2. ROLL CALL

3. APPROVAL OF MINUTES

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4.
PUBLIC COMMENT

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5. EXECUTIVE DIRECTOR’S REPORT

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GOVERNMENT AFFAIRS UPDATES

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OPEN FOR PUBLIC COMMENT

- FY 20 & 21 Section 5310 Recommended Projects
- Runs from July 1-31
- Applications available on RTA Website
- Program will be presented at the August Board meeting for consideration

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TODAY'S AGENDA

- Project Management Oversight Report
- Signage improvements
- 2020 Combining Financial Report
- 2021-2025 Capital Program Amendment

UPDATE ON THE THREE-STEP RECOVERY STRATEGY

STEP
3

Strategic Recovery Plan

Engage in strategic recovery planning and consider how to reinvent transit in the region, with an outlook of 2023 and beyond.

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STATE DELINQUENCY FIGURES

Month	Amount Delinquent
May	$141.3 million
April	$132.0 million
2021 Cost of Short-Term Borrowing YTD	$1.5 million
2020 Cost of Short-Term Borrowing	$5.1 million
Short-Term Borrowing Authority	$400 million
Outstanding Short-Term Borrowing	$75 million

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6.
INFORMATION ITEMS

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6a. UPDATE ON THE ACTIVITIES OF THE RTA TRANSIT ACCESS CITIZENS' ADVISORY BOARD

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6b. REPORT ON MONTHLY FINANCIAL RESULTS – APRIL 2021

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APRIL 2021 YTD RIDERSHIP (in millions)

RIDERSHIP				
	Actual	Budget	Variance	% Variance
CTA	48.7	47.6	1.2	2.4%
Metra	2.4	2.5	(0.1)	(2.8%)
Pace	3.7	4.1	(0.4)	(9.5%)
Pace ADA	1.0	1.0	0.0	0.9%
Total	**55.9**	**55.2**	**0.7**	**1.3%**

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APRIL 2021 YTD OPERATING REVENUE (in millions)

OPERATING REVENUE				
	Actual	Budget	Variance	% Variance
CTA	$229.2	$236.1	($6.9)	(2.9%)
Metra	$138.4	$142.4	($4.0)	(2.8%)
Pace	$18.9	$18.7	$0.2	1.0%
Pace ADA	$3.6	$3.7	($0.1)	(2.8%)
Total	**$390.0**	**$400.9**	**($10.9)**	**(2.7%)**

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APRIL 2021 YTD PUBLIC FUNDING (in millions)

PUBLIC FUNDING				
	Actual	Budget	Variance	% Variance
CTA	$324.4	$308.1	$16.3	5.3%
Metra	$108.1	$97.2	$10.9	11.2%
Pace	$50.3	$49.5	$0.8	1.6%
Pace ADA	$60.9	$60.9	($0.0)	(0.0%)
Total	**$543.7**	**$515.7**	**$28.0**	**5.4%**

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APRIL 2021 YTD OPERATING EXPENSES (in millions)

EXPENSES				
	Actual	Budget	Variance	% Variance
CTA	$538.6	$544.2	$5.7	1.0%
Metra	$244.8	$238.8	($6.0)	(2.5%)
Pace	$69.7	$79.7	$10.1	12.6%
Pace ADA	$58.1	$63.4	$5.3	8.4%
Total	**$911.1**	**$926.1**	**$15.0**	1.6%

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APRIL 2021 YTD NET RESULTS (in millions)

NET RESULTS			
	Actual	Budget	Variance
CTA	$15.0	$0.0	$15.0
Metra	$1.7	$0.8	$0.9
Pace	($0.4)	($11.5)	$11.0
Pace ADA	$6.3	$1.1	$5.2
Total	**$22.6**	**($9.5)**	**$32.1**

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APRIL 2021 YTD RECOVERY RATIOS

RECOVERY RATIOS					
	Without		With		
	CARES	CARES $	CARES	Budget	Variance
CTA	15.8%	$167.5	55.7%	55.3%	0.3
Metra	16.6%	$101.5	61.6%	65.2%	(3.6)
Pace	17.3%	$9.8	31.6%	29.8%	1.8
Pace ADA	14.9%	$0.0	14.9%	10.2%	4.7
Total	**18.0%**	**$278.8**	**54.2%**	**54.5%**	(0.3)

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6c. PRESENTATION OF THE SEMI-ANNUAL PMO REPORT

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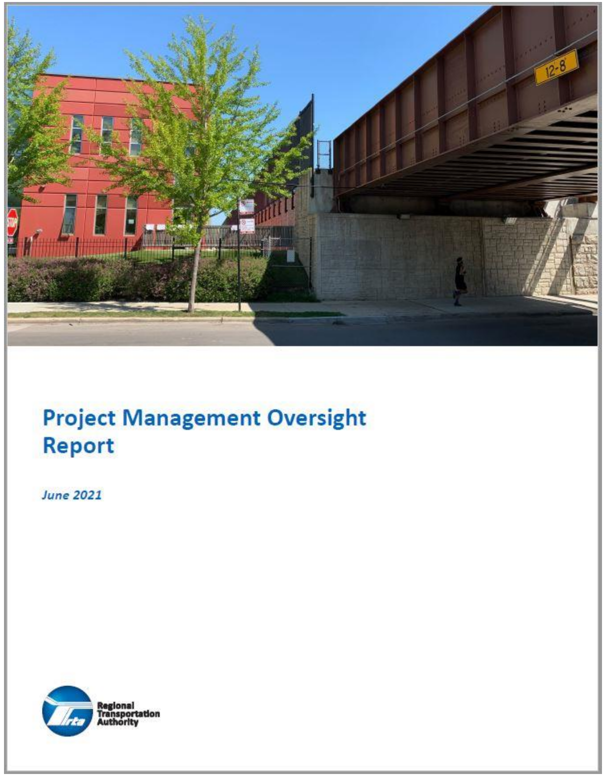
PMO BENEFITS

- Project Implementation and Delivery
- RTA Strategic Plan Goals and Priorities
- Transparency

RTA PMO PROGRAM

- All active state funded projects
- Active projects with budgets greater than $10M



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STATE PROJECT LIFE CYCLE

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PMO PROJECTS

Funding Source	Budget	Total Number of Projects	New Projects
State Projects	$1,326,299,530	45	27
Total Projects >$10M	$6,062,942,560	58	12

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STATE FUNDED PROJECT STATUS

Funding Source	Total Budget	Expanded	Active Projects	Completed Projects	Total Projects
Rebuild Illinois	$1,371,638,368	$18,332,476	24	2	38
PayGo	$227,000,000	$63,459,590	17	2	27

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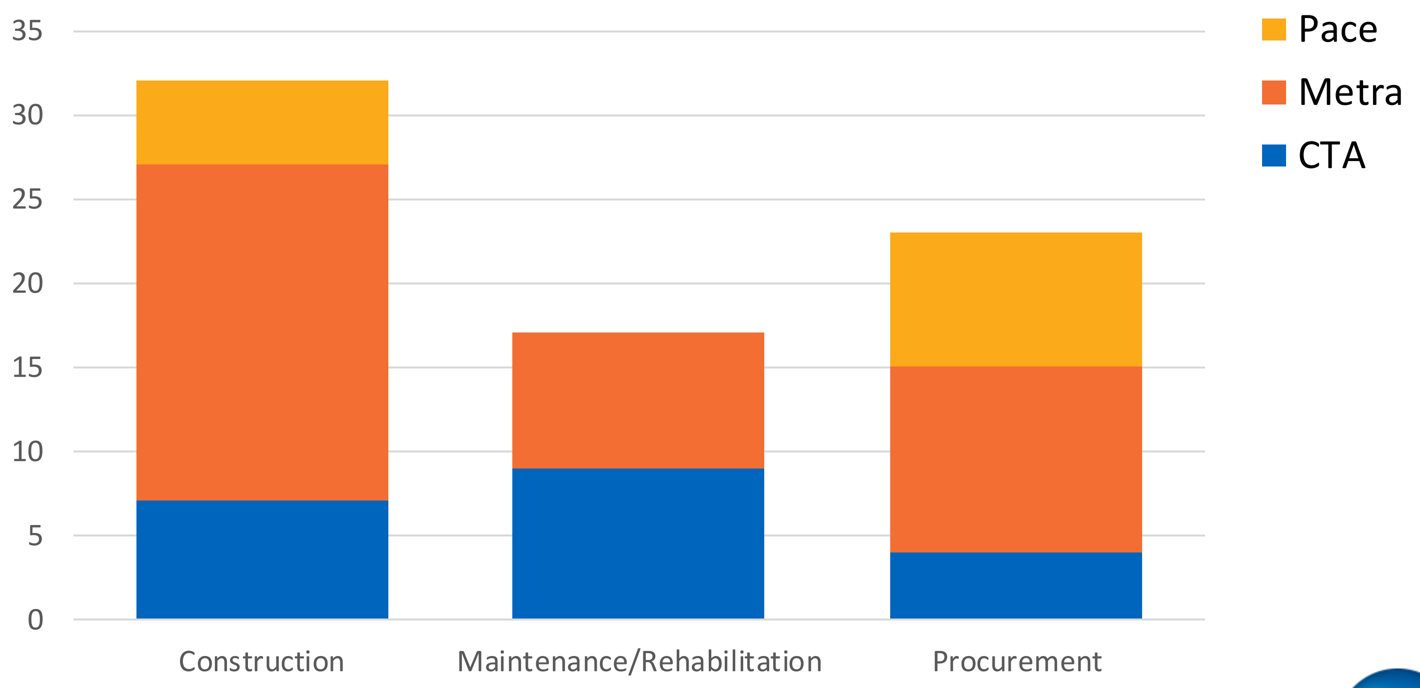
PROJECT PERFORMANCE

- 91% of projects without change orders
- 93% of projects are on schedule
- 3 projects are behind schedule
- Construction continues during COVID-19

PROJECT TYPES



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REBUILD ILLINOIS PROJECT HIGHLIGHTS

Project	Highlights
CTA – 5000 Series Rail Car Rehabilitation	This project provides for the quarter-life overhaul of the 5000-Series rail cars which include major component rebuilds and needed repairs to the car bodies.
Metra – 5 Station Design	This project is for the design of 5 stations on the Metra Electric Line: 79th St, 87th St, 95th St, 103rd St and 111th St stations.
Pace – Northwest Division Garage - Wheeling	This project is for the design and construction of a new Northwest Garage to replace the existing Northwest Division.

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COMPLETED PROJECTS

Project	Highlights
CTA – 98th Street Rail Shop and Bridge Replacement	CTA completed the rehabilitation of critical elements at the 98th Street Rail Shop.
Metra – Positive Train Control (PTC)	The project achieved federal PTC system certification.

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QUESTIONS?

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6d. PRESENTATION ON INTERAGENCY SIGNAGE PROGRAM

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AGENDA

- Signage Program Background
- Recently Completed Work
- Next Steps
- Questions

SIGNAGE PROGRAM BACKGROUND

- Purpose: Improve connections between agencies
- User Research → User Testing → Design Standards
- Pilot signs installed at 4 demonstration locations in 2012
- $4.2 m federal grant for expansion at 19 locations
  - Graphic Design & Engineering contracts (for all locations)
  - Fabrication & Installation contracts (3 separate bundles)
- Extensive coordination with Service Boards & others

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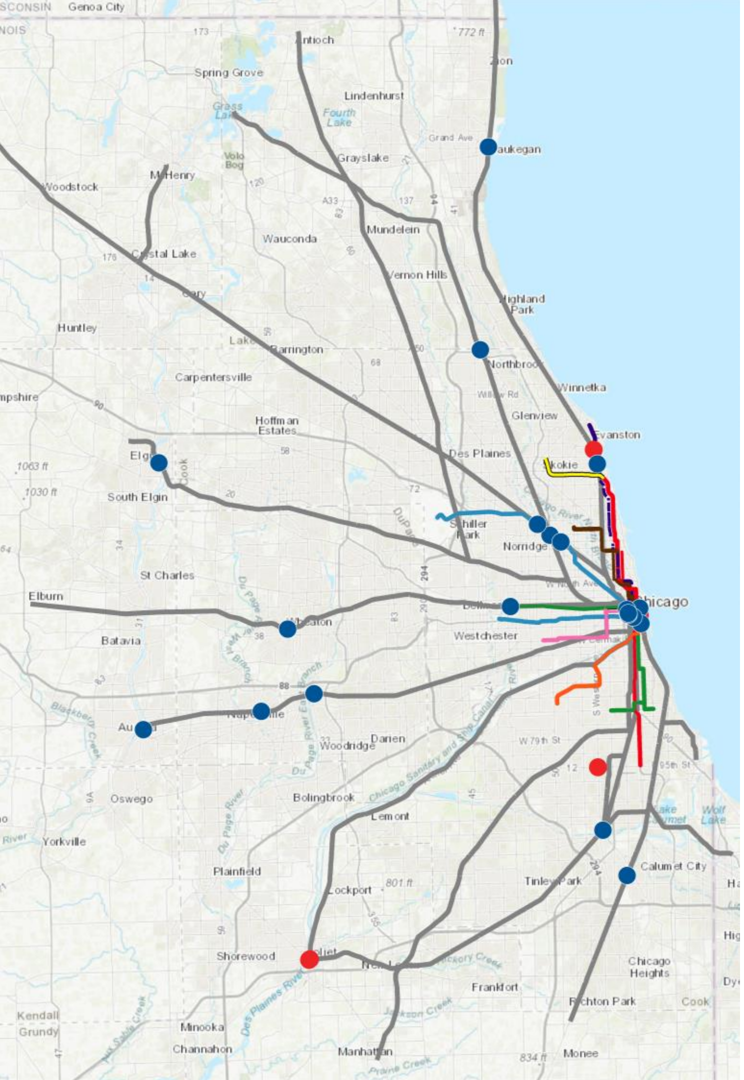
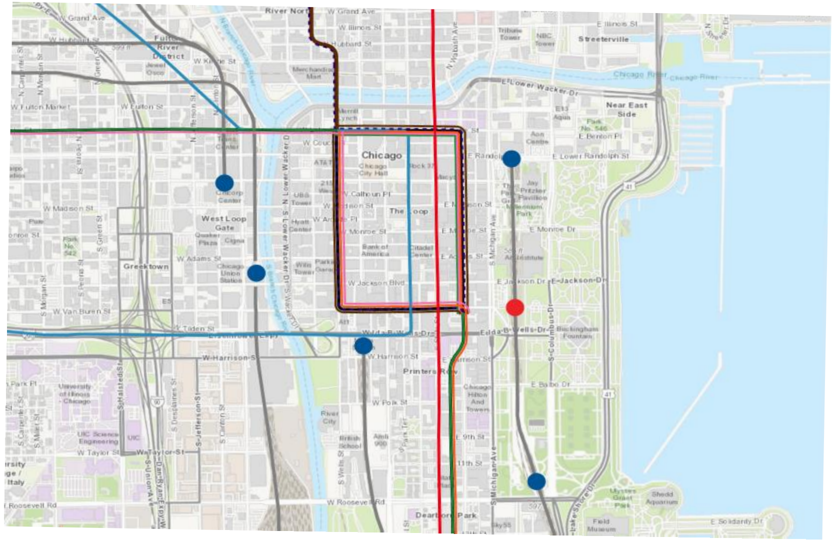


RECENTLY COMPLETED WORK

- 19 recent locations (2017-2021)
- 4 demonstration locations (2012)



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BUNDLE 1 LOCATIONS COMPLETED IN 2017-2018

- ✓ Elgin (MD-W)
- ✓ Harvey (MED)
- ✓ Lake-Cook (MD-N)
- ✓ Lisle (BNSF)
- ✓ Montrose/Mayfair (Blue, MD-N)
- ✓ Naperville (Amtrak, BNSF)
- ✓ Roosevelt/Museum Campus (Green, Orange, Red, MED)

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BUNDLE 1 LOCATIONS COMPLETED IN 2017-2018

- Elgin Metra and Pace's Elgin Transportation Center

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BUNDLE 1 LOCATIONS COMPLETED IN 2017-2018

- Harvey Metra and Pace's Harvey Transportation Center

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BUNDLE 1 LOCATIONS COMPLETED IN 2017-2018

- Roosevelt CTA / Museum Campus Metra

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BUNDLE 2 LOCATIONS COMPLETED IN 2019-2020

- ✓ Aurora (BNSF)
- ✓ Harlem/Lake (Green, UP-W)
- ✓ Irving Park (Blue, UP-NW)
- ✓ Jefferson Park (Blue, UP-NW)
- ✓ Main (Purple, UP-N)
- ✓ Waukegan (UP-N)
- ✓ Wheaton (UP-W)

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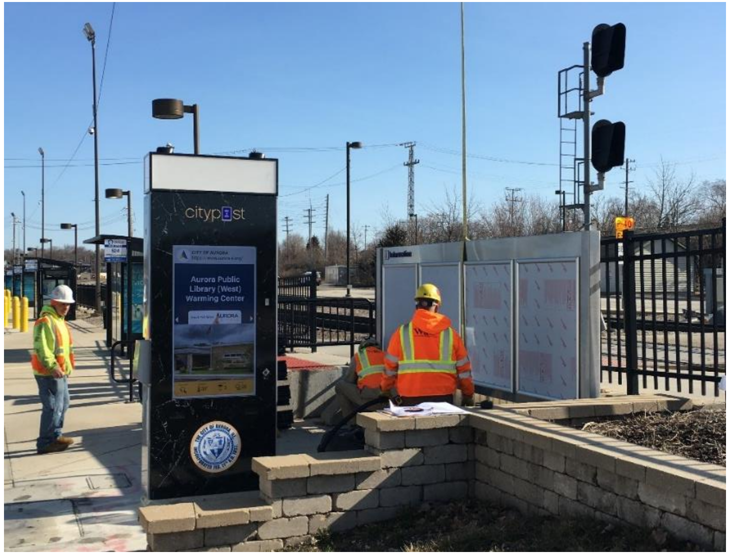
BUNDLE 2 LOCATIONS COMPLETED IN 2019-2020

- Aurora Transportation Center (Metra & Pace)



BUNDLE 2 LOCATIONS COMPLETED IN 2019-2020

- Jefferson Park Transit Center

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BUNDLE 2 LOCATIONS COMPLETED IN 2019-2020

- Waukegan Metra & Pace Transfer

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BUNDLE 3 LOCATIONS COMPLETED IN 2020-2021

- ✓ Blue Island / Vermont Street
- ✓ Chicago Union Station
- ✓ LaSalle Street Station
- ✓ Millennium Station
- ✓ Ogilvie Transportation Center

BUNDLE 3 LOCATIONS COMPLETED IN 2020-2021

- Blue Island Metra & Pace

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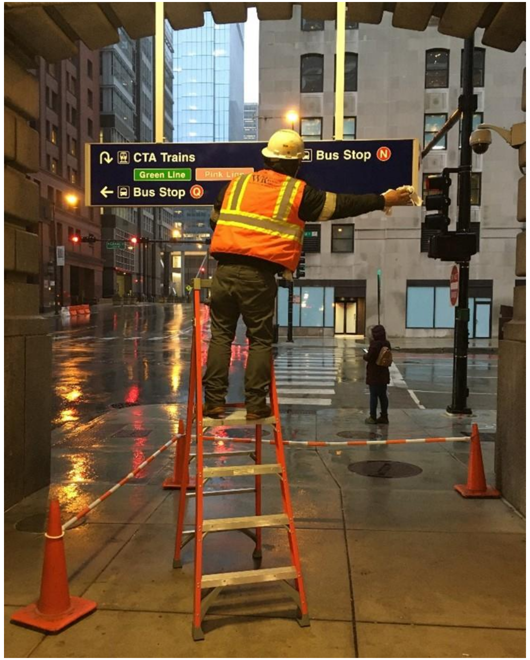
BUNDLE 3 LOCATIONS COMPLETED IN 2020-2021

- Ogilvie Transportation Center (Metra) & CTA Clinton



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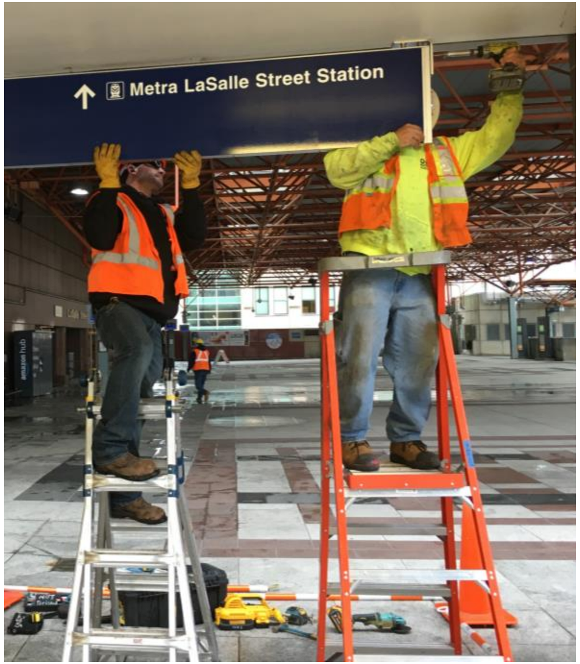
BUNDLE 3 LOCATIONS COMPLETED IN 2020-2021

- LaSalle Street Metra & CTA



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NEXT STEPS

- Use remaining federal funds ($1.2 million) for signs at other interagency locations
  - Procure engineering & design services (in 2021)
  - Procure sign fabrication & installation services (in 2022)
- Continue maintenance program

QUESTIONS?

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6e. PRESENTATION ON THE PERFORMANCE-BASED CAPITAL ALLOCATION PROCESS

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BACKGROUND

- Dec 2019 – RTA Board approves Principles for Programming Rebuild Illinois Funds
- Jan 2020 – RTA and Service Board committee begins meeting
- Jul 2020 - Framework for Transit Capital Investment released for public comment
- Sep 2020 - RTA Board defers action based on comments
- Nov 2020 – Regional capital program includes new analysis

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OVERVIEW

- Develop a method to allocate 2025 and 2026 capital funds
- This method will be stepping-stone to more strategic capital discussion in Step 3 of recovery
- SB & RTA staff developed & discussed process over a series of five weekly meetings

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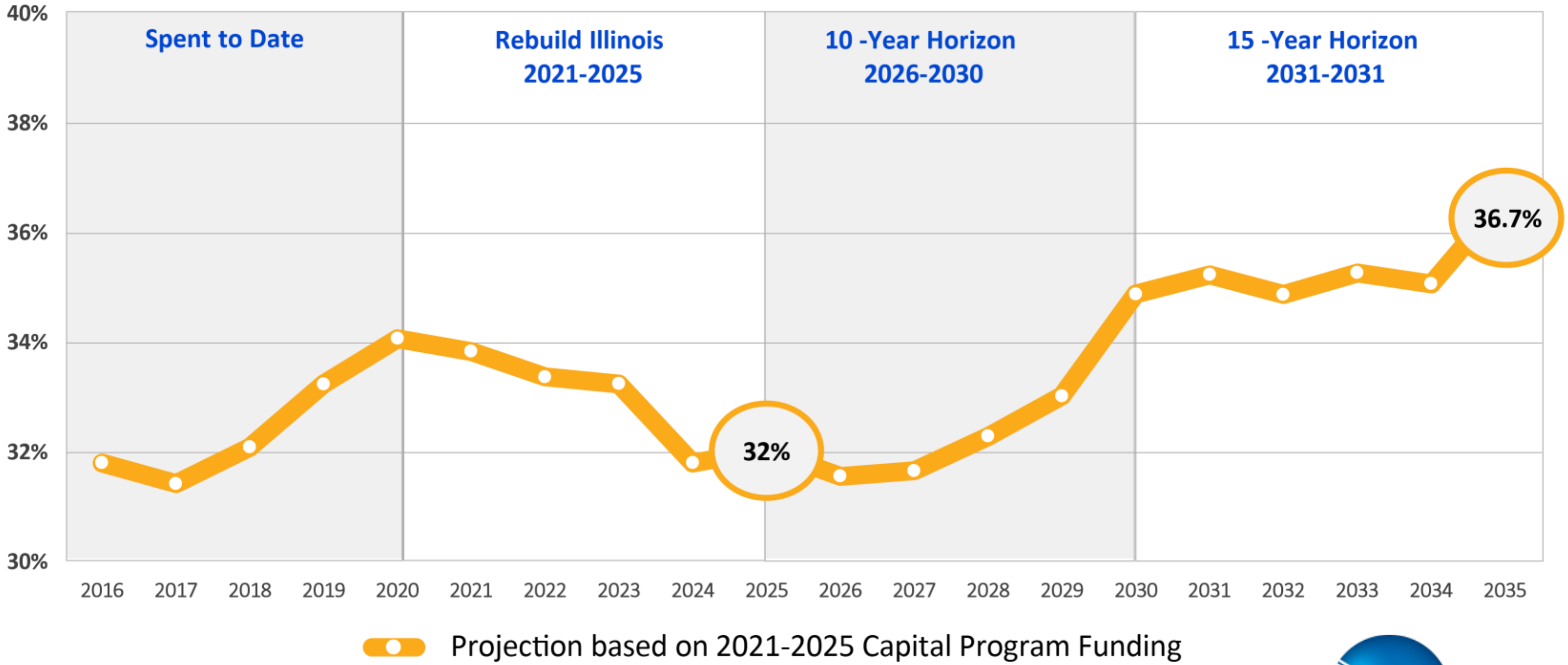
PERCENT REGIONAL ASSETS EXCEEDING USEFUL LIFE



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SOURCES OF FUNDING

Replacing its historically complex formula, the RTA is proposing a data-driven process to allocate current Federal and state PAYGO capital funds with three parts.

PAYGO Funds (State)

- CTA
- Metra
- Pace

5307/5340 - Urbanized Area Formula Grants (Federal)

- CTA
- Metra
- Pace

5337 - State of Good Repair Grants (Federal)

- CTA
- Metra

5339 - Bus and Bus Facilities Grants (Federal)

- CTA
- Pace

Total amount of capital funding to be allocated

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REBUILD ILLINOIS PRINCIPLES 2020-2024

- Begin decreasing the region-wide backlog of deferred projects.
- Focus spending on projects that can be completed in a timely manner.
- Provide near-term programming and planning certainty.
- Allow for long-term adaptability and transparency of future transportation priorities.
- Continue conducting transparent, data-driven project selection through our annual budgeting process.

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ALLOCATION APPROACH ALTERNATIVES

<u>Project Prioritization</u>

- Score and Rank individual projects to ensure every project is worthy of regional investment on an annual basis

<u>Program Delivery</u>

- Apply performance measures to ensure program as a whole advances priority projects and strategic goals

PROPOSED PRINCIPLES FOR PROGRAM DELIVERY BASED ALLOCATION

1. Capital Need
2. Capital Expenditure Performance
3. Policy Focus (Priority Projects, Strategic Goals, Core Requirements)

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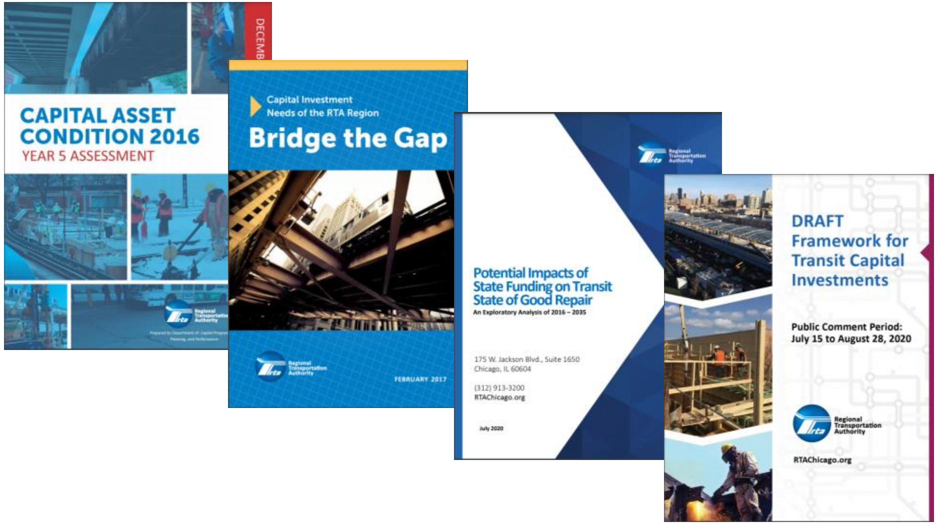
CAPITAL NEED: OVERVIEW

Need already defined by TAM/SAM activities

- Developed over past 10-years
- Used to lobby Rebuild Illinois
- Leverages TAM work
- Understood and accepted by stakeholders
- Core to *Invest in Transit*
- SGR is our fundamental need



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CAPITAL NEED: DEFINITION DETAILS

Annual funding needed to achieve regional SGR in 20-years, proportion by agency.

	CTA	Metra	Pace	Regional Total
Annual funding needed (Millions of $2015)	$1,540	$847	$194	$2,581
Percent of regional total	59.7%	32.8%	7.5%	-

Source: 2016 Asset Condition Report, Fig. 3-18, p.25

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SUMMARY OF PROPOSED ALLOCATION STRUCTURE

- Allocation of funding based on Capital Need defined as annual amount needed to achieve SGR in 20 years
- 50% of funds would have Capital Expenditure Performance Measures applied
- Require and promote 20% spending on projects that satisfy accessibility and equity focus

ALLOCATION STRUCTURE

Paygo	5307/5340-UA Formula	5337-SGR Formula	5339-Bus/Bus Facility
CTA Metra Pace	CTA Metra Pace	CTA Metra	CTA Pace

ALLOCATION STRUCTURE

Paygo
CTA Metra Pace

5307/5340-UA Formula
CTA Metra Pace

5337-SGR Formula
CTA Metra

5339-Bus/Bus Facility
CTA Pace

Total for Need Based Allocation

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ALLOCATION STRUCTURE

Paygo	5307/5340-UA Formula	5337-SGR Formula	5339-Bus/Bus Facility
CTA Metra Pace	CTA Metra Pace	CTA Metra	CTA Pace

Total for Need Based Allocation

50%
Direct Allocation

CTA	Metra	Pace
59.7%	32.8%	7.5%

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ALLOCATION STRUCTURE

Paygo	5307/5340-UA Formula	5337-SGR Formula	5339-Bus/Bus Facility
CTA Metra Pace	CTA Metra Pace	CTA Metra	CTA Pace

Total for Need Based Allocation

50% Direct Allocation			50% Incremented by Performance		
CTA	**Metra**	**Pace**	**CTA**	**Metra**	**Pace**
59.7%	32.8%	7.5%	59.7% **+/-**	32.8% **+/-**	7.5% **+/-**

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ALLOCATION STRUCTURE

Paygo	5307/5340-UA Formula	5337-SGR Formula	5339-Bus/Bus Facility
CTA Metra Pace	CTA Metra Pace	CTA Metra	CTA Pace

Total for Need Based Allocation

50%
Direct Allocation

50%
Incremented by Performance

CTA	Metra	Pace	CTA	Metra	Pace
59.7%	32.8%	7.5%	59.7% +/-	32.8% +/-	7.5% +/-

20% to Core Requirement

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CAPITAL EXPENDITURE PERFORMANCE: OVERVIEW

- Need a way to reflect progress on spending
- Data-driven and measurable

CAPITAL EXPENDITURE MEASURES

- Average age of available funds
- Percent of available funds spent in current year

PROPOSED USE OF CAPITAL EXPENDITURE MEASURE IN ALLOCATION

- 50% of funding directly allocated by 20-Year SGR Need
- 50% allocated by 20-Year SGR Need incremented by Expenditure Performance:
  - Half based on age of funds; half based on spend rate
  - Regional performance targets set for each
  - If either target is not achieved, a percent is withheld from that portion proportional to under-performance
    - Guard-rail established that no more than 20% of total funding would be withheld from an agency
    - Funds withheld in regional, discretionary set-aside

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PERFORMANCE MEASURES

Measure	Program Year	Years Included	CTA	Metra	Pace	Regional Goal
Average age of available funds, 3-year average	2025	2017, 2018, 2019	2.59	2.66	3.50	<2.5 yrs
	2026	2018, 2019, 2020	1.84	2.34	2.59	<2.5 yrs
Percent of available funds spent in current year, 3-year average	2025	2017, 2018, 2019	32.6%	25.9%	28.8%	>20%
	2026	2018, 2019, 2020	27.4%	22.5%	22.3%	>20%

RTA and Federal Funds

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EXAMPLE RESULTS OF ALLOCATION FOR 2025-2026

	Annual Allocation	Performance Withholding		2025 & 2026 Combined	
	2025/2026	2025	2026	Withheld	Total Funding
CTA	$488,614,456	$1,759,012	$ -	$1,759,012	$975,469,900
Metra	$268,451,492	$1,753,883	$ -	$1,753,883	$535,149,101
Pace	$61,383,724	$2,455,349	$229,166	$2,684,515	$120,082,933
	$818,449,672	$5,968,244	$229,166	$6,197,410	$1,630,701,934

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POLICY PRIORITIES: OVERVIEW

- Continue to use policy priorities overall to frame entire program:
  - Priority Projects
  - Strategic Goals
  - Core Requirements
- Dedicate funds toward improving performance in core requirements of Accessibility and Equity

POLICY PRIORITIES: PRIORITY PROJECTS

- Priority Projects in current 2021-2025 program:
  - 71 Priority Projects established with $33.6 billion identified in 10-year need
  - 91% of the projects in current program are advancing Priority Projects

POLICY PRIORITIES: STRATEGIC GOALS

Strategic Goals in current program

Deliver Value On Our Investment: 58%
$3,209.140

Build On the Strengths of Our Network: 24%
$1,329.331

Stay Competitive: 18%
$993.646

Total: $5,532.117

Strategic Goals in 2022-2026 Program: Select project with similar balance

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POLICY PRIORITIES: CORE REQUIREMENTS

Core Requirements in Current Program

Maintain and Improve Safety and Reliability: $4,087.429

Achieve Full Accessibility: $1,004.194

Meet Regulatory Requirements: $1,650.00

Improve Equity: $1,580.829

Total: $8,322.453

NOTE: Question is asked as multi-response, Service Boards may select up to two core requirements per project

Core Requirements in 2022-26 Program: Boost spending in accessibility and equity to 20% or more

SERVICE BOARD INPUT TO DATE

- Delay timeline
- Change conceptual basis for allocation
- Change the scope of funds included

✓ Change the years considered in performance calculations and date it goes into effect

- Decide now what will be done with set-aside

✓ Clarify requirements of structure

WHAT'S NEW IN THE CAPITAL ALLOCATION STRUCTURE?

Replacing its historically complex formula, the RTA is proposing a data-driven process to allocate current Federal and state PAYGO capital funds with three parts.

1. Base funding allocation on each Service Board's proportion of the regional annual capital need to achieve a State of Good Repair in 20 years. (CTA: 59.7%, Metra: 32.8%, Pace: 7.5%)
2. Apply capital expenditure performance metrics to half of the allocation, withholding up to 20 percent of total funds where targets are not achieved.
3. Each Service Board will be required to program 20 percent of its of annual allocation on projects that advance regional policy priorities, specifically accessibility or equity.

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NEXT STEPS

- 6/17 - 7/1: Allocation proposal out for public comment
- 7/18: RTA Board review public comment and modifications recommended by staff for adoption of Performance-Based Capital Allocation
- 9/15: Statutory deadline for release of funding amounts

7.
ACTION ITEMS

7a. ORDINANCE APPROVING THE COMBINING FINANCIAL REPORT AND CERTIFYING COMPLIANCE WITH THE RTA ACT RECOVERY RATIO REQUIREMENT FOR 2020

7b. ORDINANCE APPROVING AND RELEASING THE RTA 2020 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

Virtually Connecting Today

Joseph Evans

Partner

Lead Partner over the entire RTA audit process

Maria Prado

Partner – Prado & Renteria

DBE Firm Partner and leader of DBE staff assigned to RTA audits

William (Bill) Sarb

Senior Manager

Leader on Pension and JSIF audits and also assists with the Annual Comprehensive Financial Report and the Special Purpose Combining Report

Ronnie Christopher

Manager

Manager on the pension, JSIF, the Annual Comprehensive Financial Report and the Special Purpose Combining Report

The New Way of Doing Business

- RTA implemented the Infor ERP System in 2020
- Pandemic has shifted work environment
  - RTA transitioned to remote work for majority of staff in March 2020 and that has continued through today
  - Implemented modifications to existing processes and controls focused on electronic approvals and signatures
- Remote audit
  - External audit performed entirely remotely in 2020
  - DBE goal of 15% audit participation was achieved
  - Audit assistance provided by Prado and Renteria which included assistance with the single audit, pension audit and overall financial statement audit

RSM

Scope of Services

- Annual Comprehensive Financial Report (ACFR)
- Special Purpose Combining Financial Report
  - Statutory Basis Compilation of RTA and three service boards
- Joint Self-Insurance Fund (JSIF)
- RTA, Metra and Pace Pension Plan
  - Plan Financial Statements
  - Plan Allocation Schedules (GASB 68)
- Single Audit (Uniform Guidance Report)

Annual Comprehensive Financial Report Highlights

- RTA awarded GFOA Certificate for excellence in financial reporting for the 26th straight year
- Cash flows timing from the State of IL remained consistent for sales tax and ASA/AFA, and have improved for PTF
- Net Position has a deficit balance of $1.3 billion in 2020, this deficit is driven by the bonded debt of the RTA (which decreased from $1.9 billion to $1.7 billion) for which proceeds were passed on to the service boards
- General Fund Budgetary Highlights
  - The budget was amended in 2020 due to the pandemic. The impact was largely decreases to the expected Sales Tax and PTF receipts coming from the State. Actual receipts came in higher than the amended budget by $60 million

RSM

Special Purpose Combining Financial Report

- Independent Accountant's Compilation Report
  - Report to be submitted to the State
  - Each Service Board received an independent audit and submit their audited financial statements to RTA
  - Each Service Board certified their recovery ratio to the RTA
- Recovery ratios
  - Region-wide 51.9% and ADA Paratransit 9.7%
  - CTA, Metra and PACE achieved the Region-wide statutory recovery ratio requirement of 50% by allocating CARES Act funding
  - ADA Paratransit was not allocated CARES Act funding so did not meet the 10% requirement

Additional Financial Audit Reports

- Joint Self-Insurance Fund (JSIF)
  - Net position of $22.7 million
  - RTA distributed $9.1 million from the General Fund
  - Insurance premiums were $7.6 million
- RTA, Metra and PACE Pension Plan
  - Includes non-union employees of RTA, Metra and PACE
  - Combined employer contributions of $18.4 million were made during 2020
  - After some volatility in the Spring due to the pandemic the overall investment markets were positive for the year with a reported net investment income of $35.7 million
  - Market funded ratio as of 12/31/20 is 75%

RSM

Audit Results

- We anticipate the issuance of or have issued an unmodified “clean” opinions over the following:
  - JSIF – Completed in March as required by Statute
  - RTA, Metra and Pace Pension Plan
  - Annual Comprehensive Financial Report
- No material weaknesses were identified during our audit
- No material issues were identified relating to our presumed significant audit risks
  - Management Override of Controls
  - Fraudulent Revenue Recognition
  - Estimation uncertainty associated with the net pension liability
  - Valuation of certain alternative investments in the pension fund

RSM

Compliance Audit

- Single Audit
  - The RTA reported total federal expenditures of $11.0 million in 2020
  - Federal Programs
    - $7.4 million related to the Federal Transit Formula Grants Program, of which $6.2 million was passed through this program to provide CARES Act funding
    - $3.6 million in remaining federal expenditures were spread across several other programs, which are consistent with prior years
  - Based on the results of our testing of federal expenditures, there are no instances of noncompliance noted

Accounting Standards

- Current year implementation
  - GASB Statement No. 84 *Fiduciary Activities*
  - GASB Statement No. 88 *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Future accounting pronouncements
  - GASB Statement No. 87 *Leases*

Summary of Required Communications

Area	Comment
Significant or unusual transactions	We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.
Audit Adjustments	There were no audit adjustments made to the original trial balance presented to us to begin our audit.
Uncorrected Misstatement – Passed Adjustments	There were no uncorrected misstatements or passed adjustments noted.
Preferability of Accounting Policies and Practices	Under GAAP, in certain circumstances, management may elect among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.
Alternative Treatments Discussed With Management	We noted no alternative treatments within GAAP for accounting policies and practices related to material items that were discussed with management during the current period.

Summary of Required Communications

Area	Comment
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	Management did not have any consultations with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed with or were the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Significant Written Communications Between Management and Our Firm	• Arrangement Letter • Management Representation Letter

Concluding Thoughts

- Worked closely with Bea Reyna-Hickey, John Yu, Lalaine Alvarez and the rest of the Finance team to complete our understandings and procedures over the financial statements
- Strong communication on both sides (including regular status Microsoft Teams meetings and WebEx meetings) proved to be key to getting to this point

THANK YOU FOR YOUR TIME AND ATTENTION

QUESTIONS AND ANSWERS

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7c. ORDINANCE AUTHORIZING THE AMENDMENT OF THE 2021-2025 CAPITAL PROGRAM

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7d. ORDINANCE AUTHORIZING A CONTRACT FOR ERP MANAGED SERVICES

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7e. ORDINANCE APPOINTING PENSION TRUSTEE REPRESENTING PACE

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7f. ORDINANCE APPOINTING PENSION TRUSTEE REPRESENTING METRA

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7g. APPROVAL OF TRAVEL EXPENSE REIMBURSEMENTS

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7h. RESOLUTION HONORING JOHN V. FREGA

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7i. RESOLUTION HONORING AUDREY COLE

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7j. ORDINANCE APPOINTING A SECRETARY TO THE AUTHORITY

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Authority

8.
NEW BUSINESS

NEXT MEETING AND ADJOURNMENT

The next meeting of the RTA Board of Directors is scheduled for Thursday, July 15.

We will advise you of the location or virtual nature of this meeting as the date approaches and the status of the COVID-19 situation is updated.

Regional Transportation Authority

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