



ITEM ID: 2024-113-0

TRANSMITTAL DATE: February 2, 2024

MEETING DATE: February 9, 2024

TO: Audit and Finance Committee

FROM: Arnold Hackett, Chief Financial Officer

SUBJECT: FY2023-24 Quarterly Accounts Receivable Status Report - Quarter Ended December 31, 2023

Issue

This report presents an update on the Authority's Accounts Receivable for the quarter ended December 31, 2023. This item presents outstanding receivable balances and provides a status related to collection efforts.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair, investing in the development of our employees and maintaining fiscal sustainability.

Background

The Authority's funding sources include passenger fares, revenues from dispatching and maintenance-of-way, operating and capital funding from Member Agencies, and grants through state and federal programs.

Discussion

Accounts Receivable (A/R) Balances

As of December 31, 2023, the total outstanding accounts receivables balance, as indicated in Attachment A, was \$22.3 million, of which \$11.0 million was current and \$11.3 million was past due. This total of \$22.3 million compares to a total outstanding A/R balance of \$44.3 million for the previous quarter, or an overall decline of \$22 million.

The substantial decline was primarily due to strong collections on past due and current Member Support receivables within the quarter.

The following is a breakdown of the \$11.3 million past due amount, by receivables category:

- \$2.8M (24.8%) - Operating Support
- \$4.0M (35.4%) - Other Receivables
- \$1.1M (9.7%) - Capital Contribution
- \$0.1M (.9%) - SUA
- \$2.7M (23.9%) - Due from Other Agencies
- \$0.6M (5.3%) - Third Party Agreements (TPA)

Unbilled Balances/Pending Capital Billing

As of December 31, 2023, unbilled balances related primarily to the capital program were \$29.7 million. These amounts are not included in the reported accounts receivables balances. This total compares to the prior quarter's unbilled balance of \$33.5 million.

The \$29.7 million of unbilled balances breaks down to the following major categories:

- State of Good Repair: \$15.7M
- New Capital: \$ 8.9M
- SCORE: \$ 5.1M

Next Steps

The next Accounts Receivable quarterly report for the quarter ended March 31, 2023, will be provided in May of 2024.

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Approved by: Arnold Hackett, Chief Financial Officer

Attachment(s)

[Attachment A - FY2023-24 Quarterly AR Status Q2 Presentation - Preliminary Quarterly Accounts Receivables Report Q2](#)