



## INFORMATION ITEMS

### Certification of General Administrative Expenses

Action: Information Only

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#### **Background:**

- FL Statute 341.071 is relative to transit performance measures.
- Newly added measures relate to General Administrative costs as a ratio to Operating Expenses.
- The statutory goal is to be equal to or less than the State DOT (Department of Transportation) average of Administrative costs plus 20%.
- The definition of General Administrative Costs pursuant to State Legislation is the same as the National Transit Database (NTD) with the exception of the exclusion of insurance costs.
- State DOT is using the NTD as its measure of Tier Averages.
- PSTA is in Tier 1.
- PSTA is electing, at this time, to use the NTD definition even though the cost definition is more inclusive.
- The Florida DOT average administrative costs for Tier 1 equals 24.05% based on the FY 2023 NTD reports. The goal is to be less than the average plus 20% or 28.86%.
- Based on the adopted budgets for fiscal years 2024 and 2025 PSTA certifies PSTA General Administrative costs are respectively 13.72% and 13.33% of total operating costs and are below the FDOT average.
- The budget goal is to keep year to year general administrative cost increases equal to or less than 5% and the increase from FY 2024 to 2025 budget is 4.85%.
- PSTA certifies that the general administrative cost increases are less than 5%.
- All requirements relative to executive salary compensation are posted on PSTA's website.

#### **Fiscal Impact:**

- No impact.