

**MINUTES OF REGULAR BOARD MEETING  
OF  
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
DECEMBER 20, 2018**

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The Regular Meeting of the Board of the Southeastern Pennsylvania Transportation Authority was held on Thursday, December 20, 2018 at 3:02 PM, in the Board Room of the Authority, with the Chairman in the Chair.

Attending the meeting were the following Board Members:

Pasquale T. Deon, Sr., Chairman  
Thomas E. Babcock, Vice Chairman  
Joseph E. Brion, Esquire (via telephone)  
Michael A. Carroll, P.E.  
Robert D. Fox, Esquire  
Honorable Stewart J. Greenleaf  
Kevin L. Johnson, P.E. (via telephone)  
Daniel J. Kubik (via telephone)  
Honorable Kenneth Lawrence  
William J. Leonard, Esquire  
Honorable Charles H. Martin  
Honorable Marcy Toepel

Present from the staff:

Jeffrey D. Knueppel - General Manager  
Richard G. Burnfield - Deputy General Manager/Treasurer  
Gino Benedetti, Esquire - General Counsel  
Stephen A. Jobs - Controller  
Carol R. Looby - Secretary  
Stephanie Deiger - AGM, Employee Development Relations  
Kim Scott Heinle - AGM, Customer Service  
Francis E. Kelly - AGM, Government & Public Affairs  
Robert L. Lund - AGM, Engineering, Maintenance & Construction  
Scott A. Sauer - AGM, Operations

Mr. Deon called the Regular Meeting of the Board to order. He said the Special Meeting, which was noticed, was cancelled. Mr. Deon announced that Joseph Brion, Kevin Johnson and Daniel Kubik would be participating by phone. Messrs. Brion, Johnson and Kubik acknowledged their presence.

Pledge of Allegiance was observed.

Mr. Deon announced that the Board met in Executive Session just prior to the meeting to discuss legal matters. He stated that if there were speakers who wished to address agenda items they would be called before the Board voted on the item and asked that they limit their remarks to two minutes. He said speakers wishing to address items not on the agenda would be called after the regular business of the Board was completed.

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**Approval of Minutes**

Mr. Deon entertained a Motion regarding the Minutes of the November 15<sup>th</sup> Regular and Special Board meetings, which had been circulated. Commissioner Lawrence moved, Mr. Carroll seconded, and the Minutes were unanimously approved.

**Financial Report**

Mr. Burnfield reported that for the month of November revenue was below budget by \$300,000. He said expenses were less than budget by \$500,000 and for the month there was a surplus of \$200,000. He reported that year-to-date there was a surplus of \$5.9 million.

Mr. Deon entertained a Motion to adopt the Financial Report. Mr. Babcock moved, Commissioner Lawrence seconded and it was unanimously adopted.

The November Financial Report is received and filed and is attached to these Minutes as Exhibit "A."

Mr. Deon then called for speakers wishing to address agenda items. There was no response.

**Consent Calendar**

Mr. Deon then presented the Consent Calendar, which consisted of:

"Purchase from American International Group (AIG) and Starr International Company of Directors and Officers Liability Insurance;"

"Purchase from American International Group (AIG), Starr, AXA/XL and Beazley of Cyber Liability Insurance;"

"Reimbursement Agreement Between SEPTA and The Port Authority Transit Corporation (PATCO) Relating to Elevator/Escalator Maintenance and Inspection Services;"

"Acquisition from James Malik of a Parcel of Property Situated in Upper Darby Township, Delaware County, for Use in the Secane Station Improvement Project;"

~~"Lease to Metro Terminal Pizza, LLC for Use and Occupancy of the Inbound Ambler Regional Rail Division Station Building;"~~

"Authorization to Award Contracts for Various Procurements;"

"Award of Contracts for Sole Source Procurements;"

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"Authorization to Execute Change Orders and Amendments;"

and

"Termination of Philadelphia Investment Partners, LLC as Investment Manager of the SEPTA Pension Plan."

Mr. Deon noted that Item II.A.3. "Lease to Metro Terminal Pizza LLC for Use and Occupancy of the Inbound Ambler Regional Rail Division Station Building" was withdrawn from the agenda and that copies of the revised Resolution were provided to the Board. He stated that all of the remaining items on the Consent Calendar were reviewed by the appropriate Board Committees in public session.

Mr. Deon then entertained a Motion to adopt the Resolutions. Mr. Leonard moved, Mr. Fox seconded and the following Resolutions were unanimously adopted.

**I.A. PURCHASE FROM AMERICAN INTERNATIONAL GROUP (AIG)  
AND STARR INTERNATIONAL COMPANY OF DIRECTORS  
AND OFFICERS LIABILITY INSURANCE**

"WHEREAS, SEPTA's current directors and officers ("D&O") liability insurance policies with American International Group (AIG) and Starr International Company ("Starr") will expire on December 31, 2018, with expiring annual premiums of \$181,370 and \$67,700, respectively; and

WHEREAS, one of the insurance policies is a primary layer of \$10 million which covers director and officers and the entity, SEPTA, with SEPTA entity coverage subject to \$5 million sublimit; and

WHEREAS, the other insurance policy is an excess layer of \$10 million which covers directors and officers; and

WHEREAS, the reason for the dual layer insurance program is to insure that the cover afforded to directors, officers and Board members remains undiluted by any claims brought against them individually and against SEPTA; and

WHEREAS, both layers provide coverage for wrongful acts, errors and omissions that could result from any matter claimed against directors, officers and Board members solely due to their status or due to their official acts; and

WHEREAS, during the September 2018 meeting of the Risk Management Advisory Committee ("RMAC") it was agreed that since a full marketing effort had taken place during each of the two prior renewals in 2016 and 2017, alternative markets would only be explored if the incumbent providers sought rate increases for

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a one-year renewal with the same terms and conditions; and

WHEREAS, AIG and Starr quoted coverages with the same terms and conditions as the expiring program, with (i) AIG offering a flat premium of \$181,370 for the primary D&O layer which included the option of an "Enhanced Assault Extension" endorsement which would provide an additional aggregate limits of \$1,000,000 coverage to the D&O limits; and (ii) Starr offering a flat premium quote of \$67,700 for the excess D&O layer; and

WHEREAS, staff, with the concurrence of the RMAC, requested that the General Manager recommend that the Board authorize SEPTA to purchase D&O liability insurance (i) from AIG a primary layer of \$10 million with a self-insured retention of \$200,000 except for employment practices liability (which will have a \$500,000 self-insured retention); and (ii) from Starr an excess layer of \$10 million, under the terms and conditions as set forth above and more fully described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to purchase (i) from American International Group (AIG) a primary layer of directors and officers liability insurance in the amount of \$10 million; and (ii) from Starr International Company an excess layer of directors and officers liability insurance in the amount of \$10 million, for one-year terms effective December 31, 2018, both of which will be under the terms and conditions set forth within the pertinent staff summary.

FURTHER RESOLVED, that the total annual prepaid premiums for the policies with American International Group (AIG) and Starr International Company will not exceed \$181,370 and \$67,700, respectively, along with a \$1,000 policy fee, for a total combined annual premium of \$251,065.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other proper officers of SEPTA to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution."

**I.B. PURCHASE FROM AMERICAN INTERNATIONAL GROUP (AIG), STARR, AXA/XL AND BEAZLEY OF CYBER LIABILITY INSURANCE**

"WHEREAS, in today's hi-tech corporate environment, companies are constantly faced with the threat of "Cyber Liability" when conducting business online and receive,

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disseminate and/or store personal information on their computer database systems; and

WHEREAS, in the event personal information is publically disclosed by either unlawful act or mistake, the company could face legal exposure for breaching individual privacy rights, infringing upon or misappropriating intellectual property or violating other laws; and

WHEREAS, while SEPTA currently maintains data protection and security protocols in order to protect against cyber-attacks and other unlawful access to personal information, occasionally it has been found that even the most stringent of IT protocols can sometimes be compromised and are insufficient to protect a company against such intrusions; and

WHEREAS, the purchase of Cyber Liability Insurance provides SEPTA with an additional level of protection in the event SEPTA's existing protocols are somehow breached and personal information disclosed; and

WHEREAS, SEPTA's expiring Cyber Liability Program was underwritten in two layers, the first with American International Group (AIG) providing \$5 million of primary coverage with a \$100,000 per occurrence self-insured retention (SIR) at an annual premium of \$89,972, and the second layer with XL/Catlin (now AXA/XL) providing \$5 million in excess coverage at an annual premium of \$62,890, with both policies being for one-year terms effective December 31, 2017, for a combined annual premium (including a \$600 policy fee) of \$153,462; and

WHEREAS, during the September 2018 Risk Management Advisory Committee (RMAC) meeting, it was discussed that Aon pursue the incumbent carriers as well as non-incumbent markets to broaden coverage and seek competitive premiums; and

WHEREAS, the total annual premium for the primary and excess coverages quoted by AIG of \$95,545 was the only premium that offered all the existing coverages; and

WHEREAS, the best additional excess layers of coverages were quoted by (i) Starr for \$5 million excess of \$5 million, for a total annual premium of \$38,218; (ii) AXA/XL for \$5 million excess of \$10 million, for a total annual premium of \$39,000; and (iii) Beazley for \$5 million excess of \$15 million, for a total annual premium of \$35,000; and

WHEREAS, the primary layer buyer of coverage offers enhancements for (i) cyber extortion, (ii) continuity date exclusion; (iii) law enforcement cooperation; (iv) loss definition amendment; (v) defense provision amendment; and (vi) property damage and security failure definition amendment; and

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WHEREAS, the RMAC and Office of General Counsel requested that the General Manager recommend that the Board authorize SEPTA to bind (i) the primary layer of Cyber Liability Insurance in the amount of \$5 million with AIG, and three \$5 million excess layers of coverage with Starr, AXA/XL and Beazley, under such terms and conditions as set forth above and more fully described in the pertinent staff summary, at a combined total annual program cost (including a \$2,000 policy fee) not to exceed \$209,763; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to renew and place Cyber Liability Insurance with (i) American International Group (AIG) for \$5 million in primary coverage with a \$100,000 per occurrence self-insured retention, at an annual premium not to exceed \$95,545; (ii) Starr for \$5 million in coverage in excess of \$5 million, at an annual premium not to exceed \$38,218; (iii) AXA/XL for \$5 million in coverage in excess \$10 million, at an annual premium not to exceed \$39,000; and (iv) Beazley for \$5 million in coverage in excess of \$15 million, at an annual premium not to exceed \$35,000, for a total annual premium not to exceed \$209,763 (including a \$2,000 policy fee), with all four policies being for one-year terms commencing December 31, 2018.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other appropriate officers to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution."

**II.A.1. REIMBURSEMENT AGREEMENT BETWEEN SEPTA AND  
THE PORT AUTHORITY TRANSIT CORPORATION (PATCO)  
RELATING TO ELEVATOR/ESCALATOR MAINTENANCE  
AND INSPECTION SERVICES**

"WHEREAS, since June 2014 SEPTA has been responding to the requests of the Port Authority Transit Corporation (PATCO) by providing assistance in maintaining PATCO's fleet of vertical transportation equipment (elevators and escalators) under the terms of a five-year Reimbursement Agreement which commenced on June 29, 2014 and will expire on June 30, 2019; and

WHEREAS, under the Reimbursement Agreement SEPTA provides a dedicated team of maintenance employees and supervision who perform inspection, preventative maintenance and repairs on all of PATCO's 13 elevators and 14 escalators; and

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WHEREAS, both SEPTA and PATCO believe that this arrangement has proven successful and should be sustained for another five-year term; and

WHEREAS, the parties have now negotiated a new formal Reimbursement Agreement by which SEPTA would perform maintenance and inspection services for all of PATCO's elevators and escalators, for a period of five years commencing July 1, 2019, which can be terminated by either party upon 90 days prior written notice; and

WHEREAS, while most of the basic terms and conditions of the original agreement remain the same, one significant change commits PATCO to fund the cost of one SEPTA elevator/escalator apprentice as part of SEPTA's state-sanctioned two-year apprentice program for elevator/escalator maintenance, which will insure an adequate supply of skilled personnel to maintain our growing fleet of vertical transportation equipment during the duration of the agreement and going forward; and

WHEREAS, under the proposed new Reimbursement Agreement, SEPTA will be fully reimbursed for services rendered in an estimated amount of \$5,894,781 over the entire five-year term, with the funding of the apprentice portion being separate from, and in addition to, reimbursement of maintenance costs; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the proposed Reimbursement Agreement with PATCO under the terms and conditions that are set forth above and fully described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the proposed Reimbursement Agreement with PATCO with respect to SEPTA's ongoing maintenance and inspection of PATCO's fleet of vertical transportation equipment (elevators and escalators), under the terms set forth within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be necessary and proper in order to effectuate the purpose of this Resolution."

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**II.A.2. ACQUISITION FROM JAMES MALIK  
OF A PARCEL OF PROPERTY SITUATED IN  
UPPER DARBY TOWNSHIP, DELAWARE COUNTY,  
FOR USE IN THE SECANE STATION IMPROVEMENT PROJECT**

“WHEREAS, Secane Passenger Station was acquired by SEPTA from Consolidated Rail Corporation (Conrail) by deed dated March 30, 1979, and is located on SEPTA’s Media/Elwyn Regional Rail Division (RRD) Line adjacent to Providence Road between Bishop and North Avenues in Upper Darby Township (“Township”), Delaware County; and

WHEREAS, SEPTA intends to construct a new station and parking lot at Secane as part of the Secane Station Improvement Project (“Project”); and

WHEREAS, in order to meet the Township’s traffic flow requirements for construction of the outbound parking lot, SEPTA must provide an entrance for vehicular access to the lot from Bishop Avenue and an entrance/exit to the lot from North Avenue; and

WHEREAS, James Malik (“Malik”) owns a parcel of property (“Parcel”) located at 325 North Avenue in the Township comprised of 82,451 square feet as improved by a one story single family dwelling consisting of 768 square feet, which would satisfy the Township’s requirements, as well as provide up to an additional 181 parking spaces for SEPTA’s commuters and the ground needed for construction of a portion of the proposed driveway connection between Bishop and North Avenues; and

WHEREAS, a SEPTA commissioned independent appraisal determined that the current fair market valuation (FMV) of Parcel (as of March 10, 2018) is \$140,000, which was supported by a subsequent review appraisal; and

WHEREAS, SEPTA has offered Malik \$165,000 plus relocation assistance benefits; and

WHEREAS, SEPTA will also be responsible for payment of the customary charges incidental to the acquisition of the subject Parcel, such as closing costs and recording fees; and

WHEREAS, acquisition of the Parcel is crucial for the culmination of the Project and will greatly enhance SEPTA’s future development of the Station; and

WHEREAS, if required, SEPTA will obtain the concurrence of the Federal Transportation Administration (“FTA”) in acquiring the Parcel; and



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WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to purchase from Malik in lieu of condemnation or, if not successful, to acquire by condemnation the Parcel for a FMV or estimated just compensation capped at \$165,000, under such terms as set forth above and more fully described in the pertinent staff summary; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to purchase from James Malik, in lieu of condemnation or, if not successful, to acquire by condemnation the fee simple interests in the parcel of property located at 325 North Avenue in Upper Darby Township, under such terms as set forth within the pertinent staff summary, for a fair market value or estimated just compensation of \$165,000, plus relocation assistance benefits and costs that are incidental to the acquisition of real estate.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution."

**II.A.3. LEASE TO METRO TERMINAL PIZZA, LLC  
FOR USE AND OCCUPANCY OF THE INBOUND  
AMBLER REGIONAL RAIL DIVISION STATION BUILDING**

~~WHEREAS, SEPTA owns the Ambler Passenger Station ("Station") along the inbound side of the Lansdale/Doylestown Regional Rail Division (RRD) Line, which is located at 27 West Butler Pike in the Borough of Ambler, Montgomery County, Pennsylvania; and~~

~~WHEREAS, the Station building is comprised of approximately 1,276 square feet of space which includes with one bathroom and 13 dedicated parking spaces ("Demised Premises"), and has been offered for lease via SEPTA's competitive bidding process for a minimum annual rental of \$32,000; and~~

~~WHEREAS, SEPTA received only two sealed bids, with Metro Terminal Pizza, LLC ("Metro") submitting the highest bid of \$39,500 annually (\$3,294.67 monthly), and was determined to be a responsive and responsible bidder; and~~

~~WHEREAS, Metro has offered to enter into a lease agreement ("Lease") with SEPTA for the Demised Premises for an initial term of five (5) years, along with ten (10) consecutive one-year renewal option periods, to use and occupy the Demised Premises as a restaurant and retail store; and~~

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~~WHEREAS, the annual base rental for the Demised Premises shall be \$39,500 for the first year of the initial term of the Lease, with annual increases thereafter at the rate of 3% per year over the annual rental of the prior year; and~~

~~WHEREAS, the proposed Lease will generate \$209,710.86 in rental revenue to SEPTA over the initial five-year base term, and an additional \$524,946.23 in revenue if all ten one-year options are exercised thereby generating total receipts of \$734,657.09; and~~

~~WHEREAS, Metro accepted the Demised Premises in "as-is" condition, and under the proposed Lease, Metro shall also be responsible for all interior improvements, maintenance and repairs (including the heating, ventilation and air conditioning system), as well as separately metered utilities and trash removal; and~~

~~WHEREAS, SEPTA shall be responsible for all snow and ice removal from the Demised Premises; and~~

~~WHEREAS, if required, SEPTA will obtain any necessary Federal Transit Administration (FTA) concurrence of the transaction contemplated hereunder; and~~

~~WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into the proposed lease agreement with Metro for the Demised Premises under the terms and conditions set forth above and more fully described in the pertinent staff summary; and~~

~~WHEREAS, the General Manager made the recommendation to the Board.~~

~~NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the proposed lease agreement with Metro Terminal Pizza, LLC for the Demised Premises under the terms and conditions set forth within the pertinent staff summary.~~

~~FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things that shall be necessary and proper in order to effectuate the purpose of this Resolution."~~

**II.B. AUTHORIZATION TO AWARD CONTRACTS FOR VARIOUS PROCUREMENTS**

~~"WHEREAS, SEPTA advertised and invited bids for the supplies identified below; and~~

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WHEREAS, the firms listed below was the lowest responsive and responsible bidders to the invitations for bids; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to award the contracts identified below; and

WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby Authorizes SEPTA to award and for the General Manager or his designee to execute the contracts identified below in form approved by the Office of General Counsel, subject to and contingent upon the concurrence of the funding agencies, if required, and contingent upon and subject to the vendors satisfactorily meeting all requirements of the bid terms and specifications, including full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To SJA Construction, Inc., for Zones 1 and 2, for a total contract amount not to exceed \$1,514,900; and to Castor Materials, Inc., for Zones 3-7, for a total contract amount not to exceed \$2,154,750, for the provision of ready mixed air-entrained and super-plasticized concrete for delivery to various locations throughout SEPTA's five-county service area, with delivery of material on an "as required" basis over a period of three years commencing on January 1, 2019, as described in the staff summary on this subject, Sealed Bid No. 18-00245-ARIB - Three Year Contract for Supply and Delivery of Ready Mixed Concrete.

2. To Michael Gabor & Associates, LLC d/b/a W. P. Cooke, for the purchase of tires and repair services for SEPTA's fleet of non-revenue vehicles, with services to be performed on a "as required" basis over a period of three years commencing upon issuance of Notice-to-Proceed anticipated to be January 1, 2019, as described in the staff summary on this subject, for a total contract amount not to exceed \$1,014,541, Sealed Bid No. 18-00200-APQC - Tires and Repair Services.

3. To Michael Baker International, Inc., for the provision of tank testing, inspections and repairs for bulk fluid storage tanks located throughout the Authority, with services to be performed on an "as required" basis over a period of 1,095 calendar days commencing upon issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed \$1,702,440, Sealed Bid No. 18-00233-ARZP - Bulk Fluid Storage Tank Testing.

4. To Tyco Fire & Security (US) Management, Inc., for the purchase of 189 security cameras and related mounting hardware

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for installation on the Market-Frankford Subway Elevated (MFSE) Line, with delivery of material scheduled to commence in January 2019, as described in the staff summary on this subject, for a total contract amount not to exceed \$113,817, Sealed Bid No. 18-00181-ACZC - Camera Equipment for SEPTA.

5. To Stella-Jones Corporation, for Item No. 1, for the purchase of 30,000 Grade 7 eight-foot six-inch long track ties to be used for track renewal projects in 2019, at a unit price of \$63.83, with delivery of material scheduled to commence in March 2019, as described in the staff summary on this subject, for a total contract amount not to exceed \$1,914,900, Sealed Bid No. 18-00231-ALSP - Track Ties and Timbers."

**II.C. AWARD OF CONTRACTS FOR SOLE SOURCE PROCUREMENTS**

"WHEREAS, SEPTA has need for the supplies and services described below and those supplies and services are available only from the firms listed below; and

WHEREAS, staff reviewed the cost of the supplies and services and the General Manager recommended that the Board authorize SEPTA to award the contracts.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the contracts identified below, in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and contingent upon and subject to the vendor/contractor satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:

1. Questionmark Corporation, for an additional 5,000 participants and the provision of continued software support and maintenance services for SEPTA's Training Department to administer tests, schedule course registrations and review test results as part of the Testing Center Modernization Project, with services to be performed over a period of one year commencing in March 2019, as described in the staff summary on this subject, for a total contract amount not to exceed \$38,403, Sole Source No. 18-00293-AML - Questionmark Software Additional Participants and Annual Support & Maintenance Services.

2. To PECO Energy Company (PECO), to provide utility relocation services for an existing transmission and distribution line which will allow SEPTA to replace a 100+ year old terra cotta pipe with a properly designed reinforced concrete pipe for the Sharon Hill Line Flood Mitigation Design and Construction Project, with services to be performed over a period of nine months scheduled to commence in December 2018, as described in

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the staff summary on this subject, for a total contract amount not to exceed \$2,250,000, Sole Source No. 18-00291-ATMM - Sharon Hill Line Flood Mitigation Design & Construction Project.

3. To PS Technology, Inc., for the provision of software maintenance and support for the Crew Management System for SEPTA's Regional Rail Division (RRD) designed to automate the dispatching functions conducted at the Personnel Assignment Office (PAO), with services to be performed over a period of one year commencing on January 1, 2019 and ending December 31, 2019, as described in the staff summary on this subject, for a total contract amount not to exceed \$192,000, Sole Source No. 18-00285-APES - Crew (Rail) Management System Maintenance & Support Services."

**II.D. AUTHORIZATION TO EXECUTE CHANGE ORDERS AND AMENDMENTS**

"WHEREAS, additional work is required to complete the projects identified below; and

WHEREAS, staff reviewed the cost of the additional work and the General Manager recommended that the Board authorize SEPTA to order the additional work.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the change orders and amendments identified below in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and to any applicable Disadvantaged Business Enterprise requirements:

1. To Carr & Duff, Inc., for Change Order No. 6, which provides for a credit based upon a global settlement of claims under the electrical construction contract for the Wayne Junction Traction Power Substation Rehabilitation Project, at a decrease in cost not to exceed \$150,584, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed \$13,817,477.

2. To New Flyer of America, Inc., for Change Order No. 4, which provides for additional specifications and a PPI adjustment under the contract for the 40-Foot Low Floor Diesel-Electric Hybrid Bus Project, at an increase in cost not to exceed \$1,613,193.30, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed \$415,156,326.29.

3. To TK Keystone Construction, Co., Inc., for Change Order No. 1, which provides for additional janitorial services at Wheatsheaf Warehouse and the Regional Rail Division (RRD) crew bathroom facility, at an increase in cost not to exceed \$458,372,

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bringing the total contract price, including this change order, to an amended contract amount not to exceed \$5,595,507.

4. To Conduent Transport Solutions, Inc. (formerly Xerox Transport Solutions, Inc.), for Change Order No. 20, which provides for a transit maintenance and warranty services extension under the contract to design, build, install, deploy and support SEPTA's New Payment Technologies System (aka KEY Program) on a month-to-month basis for a period of 13 months thru December 31, 2019, at an increase in cost not to exceed \$9,929,762, bringing the total contract price, including all changes orders to date, to an amended contract amount not to exceed \$172,205,416.

5. To Faiveley Vapor Stone Rail Systems, a Wabtec Company, for Amendment No. 1, which provides for additional scope of services pertaining to the improvement of air compressors under the contract for the B-IV HVAC Upgrade Project, at an increase in cost not to exceed \$231,260, bringing the total contract price, including this amendment, to an amended contract amount not to exceed \$16,818,582.

6. To Truveris, Inc., for Amendment No. 1, which provides for the increase of the price ceiling and removal of the 15% recovery fee (for years 2017 and 2018) under the contract for Pharmacy Benefit Manager Audit Services, at an increase in cost not to exceed \$54,723.73, bringing the total contract price, including this amendment, to an amended contract amount not to exceed \$230,723.73.

7. To Gannett Fleming, Inc., for Amendment No. 7, which provides for additional architectural/engineering design and construction work for the Bucks County Intermodal Improvements Project - Levittown, as well as a 411 day schedule extension, thereby establishing a new contract completion date of July 19, 2019, at an increase in cost not to exceed \$151,754, bringing the total contract price, including all amendments to date, to an amended contract amount not to exceed \$4,251,133."

**III.A. TERMINATION OF PHILADELPHIA INVESTMENT PARTNERS, LLC  
AS INVESTMENT MANAGER OF THE SEPTA PENSION PLAN**

"WHEREAS, on February 24, 2011 the Pension Committee of the Board revised the Statement of Investment Policy and Objectives and Operating Guidelines ("Policy Statement") which governs the investment of the funds of the pension plans of SEPTA; and

WHEREAS, the Policy Statement provides investment guidelines and investment return expectations for all investment managers; and

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WHEREAS, the Policy Statement contains monitoring procedures for the Pension Committee to utilize in its review of the performance of each investment manager; and

WHEREAS, Philadelphia Investment Partners, LLC (formerly Carne Capital, LLC or "Carne") manages a portfolio of Domestic Equity securities for the SEPTA Pension Plan; and

WHEREAS, at the Pension Committee Meeting that was held on February 17, 2016, PFM Advisors, SEPTA's Pension Plan consultant, recommended and the Pension Committee agreed, to place Carne on the Watch List pursuant to criteria outlined in the Policy Statement; and

WHEREAS, effective April 1, 2017, SEPTA consented to the assignment of SEPTA's Investment Advisory Agreement with Carne to Philadelphia Investment Partners, LLC but maintained the Watch List status and determined it would closely monitor the performance and assets under management of the firm; and

WHEREAS, at the November 15, 2018 Pension Committee meeting, PFM Advisors reviewed updated performance measures of the Philadelphia Investment Partners, LLC fund and discussed those results with the Pension Committee, and based on the performance data other relevant information, PFM Advisors recommended and the Pension Committee agreed to terminate the investment advisory agreement with Philadelphia Investment Partners, LLC.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the termination of SEPTA's investment advisory agreement with Philadelphia Investment Partners, LLC.

FURTHER RESOLVED, that the Board hereby authorizes the proper officers of SEPTA (i) to execute and deliver all documents that will enable SEPTA to terminate its investment advisory agreement with Philadelphia Investment Partners, LLC; (ii) take such action necessary to liquidate and/or transfer the assets currently managed by Philadelphia Investment Partners, LLC to fund investments as approved by the Pension Committee; and, (iii) to do any and all other things that may be necessary in order to effectuate this Resolution."

**Report of General Manager**

Mr. Knueppel stated that for the last 30 years and many trips, the AEM-7 locomotives had served Regional Rail. He mentioned that on Saturday, December 1<sup>st</sup> there was a farewell excursion trip to officially retire the engines with a noteworthy crew to mark the occasion. He said Jackie Pettyjohn the first woman promoted to engineer at SEPTA back in 1985 was at the helm of the train and Pat Riley, the first woman promoted to SEPTA conductor in 1986 were part of the on-board crew. Mr. Knueppel

**Minutes of Regular Board Meeting**  
**December 20, 2018**

then commented that SEPTA looks forward to a new era of service reliability with the ACS-64 locomotives.

Mr. Knueppel stated that it was with deep sorrow to report the recent passing of the Reverend Dr. Patricia Russell, Emeritus Chair of the Advisory Committee for Accessible Transportation and the loss of a friend, colleague, advocate for disabled and senior citizen riders, and ardent supporter of SEPTA public transit. He stated that she had established her longstanding partnership with the Authority when she was elected Chair of the SEPTA Advisory Committee for Accessible Transportation in 2009. He mentioned that was just the first of several leadership roles Pat held, serving as both SAC Chair and Vice Chair and Chair of the Philadelphia Shared Ride Advisory Council. He added that she was also a two-term member of the SEPTA Citizen Advisory Committee, where she helped foster greater awareness and consideration for individuals with disabilities using both fixed route and CCT Paratransit services. Mr. Knueppel stated that Pat frequently testified on behalf of SEPTA customers including the hearing before the Pennsylvania State Senate's Transportation Subcommittee where she eloquently spoke about the importance of passing the Act 89 legislation.

Mr. Knueppel stated that Pat Russell's legacy would continue as we reach new milestones in making the SEPTA system, stations and vehicles accessible for the communities we serve. He stated that the recently announced BUILD grant for ADA and station enhancements at the Market Frankford and Trolley Lines 30<sup>th</sup> Street Stop was a testament to her voice and leadership on behalf of senior citizen and riders with disabilities. Mr. Knueppel said that even as we mourn her loss, in this season of holiday celebrations, we honor her spirit and hope for the future. He then wished everyone joyous times with family and friends.

Mr. Deon then called for speakers.

**Speaker**

Anne C. Croisier

Ms. Croisier read directly from a letter which she submitted and is attached to the original Minutes as Exhibit "B."

Mr. Deon requested Mr. Heinle to meet with Ms. Croisier following the meeting and thanked Ms. Croisier for speaking.

Mr. Deon then wished everyone a happy holiday and a healthy new year.



**Minutes of Regular Board Meeting**  
**December 20, 2018**

**Adjournment**

There being no further business to come before the Board at this Regular Meeting, it was moved by Mr. Babcock seconded by Mr. Leonard, and unanimously adopted that the meeting be adjourned at 3:10 PM.

Carol R. Looby  
Secretary

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**

**FINANCIAL REPORT**

**NOVEMBER 2018**

**For Period Ended December 1, 2018**

**December 17, 2018**

**EXHIBIT "A"**

## **FINANCIAL REPORT - NOVEMBER 2018**

### **COMMENTARY**

Summary of Financial Results and Commentary

#### **GROUP 1 - CONSOLIDATED OPERATIONS**

- (1.1) Consolidating Statement of Income - (YTD)
- (1.2) Consolidating Statement of Revenue and Expense - (YTD)
- (1.3) Consolidating Statement of Income - (One Month)
- (1.4) Consolidating Statement of Revenue and Expense - (One Month)

#### **GROUP 2 - CITY TRANSIT DIVISION**

- (2.1) Comparative Statement of Income
- (2.2) Detail Income Statement - (One Month)
- (2.3) Detail Income Statement - (YTD)

#### **GROUP 3 - VICTORY DIVISION**

- (3.1) Comparative Statement of Income
- (3.2) Detail Income Statement - (One Month)
- (3.3) Detail Income Statement - (YTD)

#### **GROUP 4 - FRONTIER DIVISION**

- (4.1) Comparative Statement of Income
- (4.2) Detail Income Statement - (One Month)
- (4.3) Detail Income Statement - (YTD)

#### **GROUP 5 - REGIONAL RAIL DIVISION**

- (5.1) Comparative Statement of Income
- (5.2) Detail Income Statement - (One Month)
- (5.3) Detail Income Statement - (YTD)

**FINANCIAL REPORT - NOVEMBER 2018**

**COMMENTARY**

Summary of Financial Results and Commentary

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**NOVEMBER AND YEAR-TO-DATE RESULTS OF OPERATIONS**

**SUMMARY**

The following is a summary of Divisional operating results (i.e. deficit before operating subsidies) and consolidated results after subsidies for November and the five-month period then ended. The results are compared to the Fiscal Year 2019 budget and to the prior year results in the accompanying financial statements.

<b>DIVISION</b>	<b>(IN THOUSANDS)</b>			
	<b>MONTH OF NOVEMBER</b>		<b>FIVE MONTHS ENDED NOVEMBER</b>	
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
City Transit	\$ (52,313)	\$ (52,074)	\$ (238,295)	\$ (241,319)
Victory	(6,862)	(6,483)	(29,721)	(29,876)
Frontier	(2,490)	(2,562)	(11,534)	(11,313)
Regional Rail	(19,902)	(19,696)	(84,383)	(84,697)
Total Deficit Before Subsidies	(81,567)	(80,815)	(363,933)	(367,205)
Operating Subsidies	81,801	83,016	369,889	372,364
Surplus/(Deficit) After Subsidies	234	2,201	5,956	5,159
Unrealized Investment Gain/(Loss)	289	(323)	(206)	(342)
Surplus/(Deficit) after Investment Gain/(Loss)	<u>\$ 523</u>	<u>\$ 1,878</u>	<u>\$ 5,750</u>	<u>\$ 4,817</u>

The surplus after subsidies for the month of November was \$234 thousand and the cumulative surplus for the five months was \$6.0 million. Passenger revenue for the month was \$688 thousand (or 1.5%) lower than budget. Passenger revenue for the five months of Fiscal 2019 was \$2.7 million (or 1.4%) lower than budget. Shared Ride Program revenue was \$119 thousand lower than budget for the month of November and was \$364 thousand (or 5.2%) lower than budget for November year-to-date. Operating expenses for the month of November were \$542 thousand lower than budget. For the five-month period, operating expenses were \$7.6 million (or 1.3%) lower than budget.

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**NOVEMBER AND YEAR-TO-DATE RESULTS OF OPERATIONS**

**DIVISIONAL COMMENTARY ON NOVEMBER AND YEAR-TO-DATE RESULTS**

**CITY TRANSIT DIVISION**

The Division's operations for November resulted in a deficit before subsidies of \$52.3 million for the month and a year-to-date deficit before subsidies of \$238.3 million, which is 4.4% lower than budget.

Passenger revenue for the month of November was \$199 thousand (or 0.7%) lower than budget. For the five months of Fiscal 2019 total passenger revenue was \$169 thousand (or 0.1%) lower than budget. Shared Ride Program revenue for November year-to-date was \$364 thousand (or 5.2%) lower than budget. Operating expenses for the five-month period were lower than budget.

For the five months of the fiscal year, the operating surplus after subsidies was \$4.1 million.

**VICTORY DIVISION**

The Division's operations for November resulted in a deficit before subsidies of \$6.9 million bringing the cumulative deficit before subsidies for the five months of the fiscal year to \$29.7 million, which is 0.5% lower than budget.

Passenger revenue for November was \$124 thousand (or 5.3%) higher than budget, and for the five months of Fiscal 2019 was \$373 thousand (or 3.6%) higher than budget. Operating expenses for the five-month period were higher than budget.

For the five months of the fiscal year, the operating surplus after subsidies was \$541 thousand.

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**NOVEMBER AND YEAR-TO-DATE RESULTS OF OPERATIONS**

**FRONTIER DIVISION**

Operations for the month of November resulted in a deficit before subsidies of \$2.5 million bringing the cumulative deficit before subsidies for the five months of the fiscal year to \$11.5 million, which is 1.5% higher than budget.

Passenger revenue for November was \$8 thousand (or 1.3%) lower than budget, and for the five months of Fiscal 2019 was \$2 thousand (or 0.1%) lower than budget. Operating expenses for the five-month period were higher than budget.

For the five months of the fiscal year, the operating surplus after subsidies was \$205 thousand.

**REGIONAL RAIL DIVISION**

Operations for the month of November resulted in a deficit before subsidies of \$19.9 million bringing the cumulative deficit before subsidies for the five-month period to \$84.4 million, which is 6.3% higher than budget.

Passenger revenue for November was \$605 thousand (or 4.5%) lower than budget, and for the five months of Fiscal 2019 passenger revenue was \$2.9 million (or 4.7%) lower than budget. Operating expenses for the five-month period were higher than budget.

For the five months of the fiscal year, the operating surplus after subsidies was \$1.1 million.

## **FINANCIAL REPORT - NOVEMBER 2018**

### **GROUP 1 - CONSOLIDATED OPERATIONS**

- (1.1) Consolidating Statement of Income - (YTD)
- (1.2) Consolidating Statement of Revenue and Expense - (YTD)
- (1.3) Consolidating Statement of Income - (One Month)
- (1.4) Consolidating Statement of Revenue and Expense - (One Month)



SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF INCOME  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

	CITY TRANSIT DIVISION	VICTORY DIVISION	FRONTIER DIVISION	REGIONAL RAIL DIVISION	TOTAL SEPTA	BUDGET AMOUNT	BUDGET VARIANCE	
							AMOUNT	PERCENT
<b><u>OPERATING REVENUES</u></b>								
Passenger Revenue	\$ 119,680	\$ 10,744	\$ 2,817	\$ 59,037	\$ 192,278	\$ 194,971	\$ (2,693)	(1.38)
Other Operating Revenue	<u>10,872</u>	<u>1,246</u>	<u>322</u>	<u>5,948</u>	<u>18,388</u>	<u>17,001</u>	<u>1,387</u>	8.16
Sub-Total - Operating Revenue	130,552	11,990	3,139	64,985	210,666	211,972	(1,306)	(0.62)
Shared Ride Program	<u>6,693</u>	-	-	-	<u>6,693</u>	<u>7,057</u>	<u>(364)</u>	(5.16)
<b>TOTAL REVENUE AVAILABLE FOR OPERATIONS</b>	<b>137,245</b>	<b>11,990</b>	<b>3,139</b>	<b>64,985</b>	<b>217,359</b>	<b>219,029</b>	<b>(1,670)</b>	<b>(0.76)</b>
<b><u>OPERATING EXPENSES</u></b>								
	<u>375,540</u>	<u>41,711</u>	<u>14,673</u>	<u>149,368</u>	<u>581,292</u>	<u>588,895</u>	<u>7,603</u>	1.29
<b>DEFICIT BEFORE SUBSIDIES</b>	<b>(238,295)</b>	<b>(29,721)</b>	<b>(11,534)</b>	<b>(84,383)</b>	<b>(363,933)</b>	<b>(369,866)</b>	<b>5,933</b>	<b>1.60</b>
<b>OPERATING SUBSIDIES</b>	<u>242,424</u>	<u>30,262</u>	<u>11,739</u>	<u>85,464</u>	<u>369,889</u>	<u>369,866</u>	<u>23</u>	0.01
<b>SURPLUS AFTER SUBSIDIES</b>	<b>\$ 4,129</b>	<b>\$ 541</b>	<b>\$ 205</b>	<b>\$ 1,081</b>	<b>\$ 5,956</b>	<b>\$ -</b>	<b>\$ 5,956</b>	
Unrealized Investment Gain/(Loss)	<u>(159)</u>	<u>(11)</u>	<u>(3)</u>	<u>(33)</u>	<u>(206)</u>	<u>-</u>	<u>(206)</u>	
<b><u>SURPLUS AFTER INVESTMENT GAIN/(LOSS)</u></b>	<b>\$ 3,970</b>	<b>\$ 530</b>	<b>\$ 202</b>	<b>\$ 1,048</b>	<b>\$ 5,750</b>	<b>\$ -</b>	<b>\$ 5,750</b>	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

	CITY TRANSIT DIVISION		VICTORY DIVISION		FRONTIER DIVISION		REGIONAL RAIL DIVISION		TOTAL SEPTA	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>OPERATING REVENUES</b>										
Passenger Revenue	\$ 119,849	\$ 119,680	\$ 10,371	\$ 10,744	\$ 2,819	\$ 2,817	\$ 61,932	\$ 59,037	\$ 194,971	\$ 192,278
Shared Ride Program	7,057	6,693	-	-	-	-	-	-	7,057	6,693
Investment Income	560	763	27	37	7	11	581	709	1,175	1,520
Other Income	9,143	10,109	1,010	1,209	310	311	5,363	5,239	15,826	16,868
<b>TOTAL OPERATING REVENUE</b>	<b>136,609</b>	<b>137,245</b>	<b>11,408</b>	<b>11,990</b>	<b>3,136</b>	<b>3,139</b>	<b>67,876</b>	<b>64,985</b>	<b>219,029</b>	<b>217,359</b>
<b>OPERATING EXPENSES</b>										
Labor, including Paid Absences	179,900	175,358	19,776	20,581	7,874	7,734	59,389	60,670	266,939	264,343
Fringe Benefits	114,436	107,095	10,557	10,365	3,537	3,894	31,074	30,606	159,604	151,960
Material & Services	60,808	62,674	8,359	8,157	1,833	1,791	44,108	45,437	115,108	118,059
Injuries & Damages	9,233	9,233	452	452	176	176	2,184	2,184	12,045	12,045
Propulsion Power	4,576	4,483	460	459	-	-	7,725	7,330	12,761	12,272
Fixed Rent	1,443	1,528	72	75	25	24	495	532	2,035	2,159
Fuel	9,322	9,267	1,509	1,533	1,037	1,032	269	209	12,137	12,041
Depreciation	6,143	5,902	92	89	20	22	2,011	2,400	8,266	8,413
<b>TOTAL OPERATING EXPENSES</b>	<b>385,861</b>	<b>375,540</b>	<b>41,277</b>	<b>41,711</b>	<b>14,502</b>	<b>14,673</b>	<b>147,255</b>	<b>149,368</b>	<b>588,895</b>	<b>581,292</b>
<b>DEFICIT BEFORE SUBSIDIES</b>	<b>(249,252)</b>	<b>(238,295)</b>	<b>(29,869)</b>	<b>(29,721)</b>	<b>(11,366)</b>	<b>(11,534)</b>	<b>(79,379)</b>	<b>(84,383)</b>	<b>(369,866)</b>	<b>(363,933)</b>
<b>OPERATING SUBSIDIES</b>										
Federal	10,579	10,281	1,298	1,315	483	499	2,362	2,627	14,722	14,722
State	197,356	191,659	24,797	25,124	9,221	9,530	45,143	50,204	276,517	276,517
Local	29,603	28,747	3,720	3,769	1,383	1,430	6,771	7,531	41,477	41,477
Lease Cost/Debt Service	11,204	11,204	54	54	14	14	24,393	24,393	35,665	35,665
Other-Route Guarantees	510	533	-	-	265	266	710	709	1,485	1,508
<b>TOTAL SUBSIDIES</b>	<b>249,252</b>	<b>242,424</b>	<b>29,869</b>	<b>30,262</b>	<b>11,366</b>	<b>11,739</b>	<b>79,379</b>	<b>85,464</b>	<b>369,866</b>	<b>369,889</b>
<b>SURPLUS AFTER SUBSIDIES</b>	<b>\$ -</b>	<b>\$ 4,129</b>	<b>\$ -</b>	<b>\$ 541</b>	<b>\$ -</b>	<b>\$ 205</b>	<b>\$ -</b>	<b>\$ 1,081</b>	<b>\$ -</b>	<b>\$ 5,956</b>
Unrealized Investment Gain/(Loss)	-	(159)	-	(11)	-	(3)	-	(33)	-	(206)
<b>SURPLUS AFTER INVESTMENT GAIN/(LOSS)</b>	<b>\$ -</b>	<b>\$ 3,970</b>	<b>\$ -</b>	<b>\$ 530</b>	<b>\$ -</b>	<b>\$ 202</b>	<b>\$ -</b>	<b>\$ 1,048</b>	<b>\$ -</b>	<b>\$ 5,750</b>

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF INCOME  
ONE MONTH ENDED DECEMBER 1, 2018

(THOUSANDS)

	CITY TRANSIT DIVISION	VICTORY DIVISION	FRONTIER DIVISION	REGIONAL RAIL DIVISION	TOTAL SEPTA	BUDGET AMOUNT	BUDGET VARIANCE	
							AMOUNT	PERCENT
<b><u>OPERATING REVENUES</u></b>								
Passenger Revenue	\$ 28,097	\$ 2,462	\$ 620	\$ 12,960	\$ 44,139	\$ 44,827	\$ (688)	(1.53)
Other Operating Revenue	2,438	282	78	1,274	4,072	3,583	489	13.65
Sub-Total - Operating Revenue	30,535	2,744	698	14,234	48,211	48,410	(199)	(0.41)
Shared Ride Program	1,485	-	-	-	1,485	1,604	(119)	(7.42)
<b>TOTAL REVENUE AVAILABLE FOR OPERATIONS</b>	<b>32,020</b>	<b>2,744</b>	<b>698</b>	<b>14,234</b>	<b>49,696</b>	<b>50,014</b>	<b>(318)</b>	<b>(0.64)</b>
<b><u>OPERATING EXPENSES</u></b>								
	84,333	9,606	3,188	34,136	131,263	131,805	542	0.41
<b>DEFICIT BEFORE SUBSIDIES</b>	<b>(52,313)</b>	<b>(6,862)</b>	<b>(2,490)</b>	<b>(19,902)</b>	<b>(81,567)</b>	<b>(81,791)</b>	<b>224</b>	<b>0.27</b>
<b>OPERATING SUBSIDIES</b>	<b>52,450</b>	<b>6,887</b>	<b>2,496</b>	<b>19,968</b>	<b>81,801</b>	<b>81,791</b>	<b>10</b>	<b>0.01</b>
<b>SURPLUS AFTER SUBSIDIES</b>	<b>\$ 137</b>	<b>\$ 25</b>	<b>\$ 6</b>	<b>\$ 66</b>	<b>\$ 234</b>	<b>\$ -</b>	<b>\$ 234</b>	
Unrealized Investment Gain/(Loss)	151	8	2	128	289	-	289	
<b><u>SURPLUS AFTER INVESTMENT GAIN/(LOSS)</u></b>	<b>\$ 288</b>	<b>\$ 33</b>	<b>\$ 8</b>	<b>\$ 194</b>	<b>\$ 523</b>	<b>\$ -</b>	<b>\$ 523</b>	

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES  
ONE MONTH ENDED DECEMBER 1, 2018**

(THOUSANDS)

	CITY TRANSIT DIVISION		VICTORY DIVISION		FRONTIER DIVISION		REGIONAL RAIL DIVISION		TOTAL SEPTA	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>OPERATING REVENUES</b>										
Passenger Revenue	\$ 28,296	\$ 28,097	\$ 2,338	2,462	628	\$ 620	\$ 13,565	\$ 12,960	\$ 44,827	\$ 44,139
Shared Ride Program	1,604	1,485	-	-	-	-	-	-	1,604	1,485
Investment Income	129	230	6	12	2	3	133	171	270	416
Other Income	1,884	2,208	214	270	63	75	1,152	1,103	3,313	3,656
<b>TOTAL OPERATING REVENUE</b>	<b>31,913</b>	<b>32,020</b>	<b>2,558</b>	<b>2,744</b>	<b>693</b>	<b>698</b>	<b>14,850</b>	<b>14,234</b>	<b>50,014</b>	<b>49,696</b>
<b>OPERATING EXPENSES</b>										
Labor, including Paid Absences	40,959	40,543	4,625	4,951	1,776	1,786	13,648	14,541	61,008	61,821
Fringe Benefits	24,987	22,330	2,311	2,186	777	728	7,330	7,117	35,405	32,361
Material & Services	13,433	14,886	1,860	1,925	407	404	9,559	10,002	25,259	27,217
Injuries & Damages	2,098	2,099	103	103	40	39	459	459	2,700	2,700
Propulsion Power	935	934	97	97	-	-	1,526	1,457	2,558	2,488
Fixed Rent	269	390	14	16	5	5	100	103	388	514
Fuel	2,189	1,972	345	311	238	221	61	52	2,833	2,556
Depreciation	1,233	1,179	18	17	4	5	399	405	1,654	1,606
<b>TOTAL OPERATING EXPENSES</b>	<b>86,103</b>	<b>84,333</b>	<b>9,373</b>	<b>9,606</b>	<b>3,247</b>	<b>3,188</b>	<b>33,082</b>	<b>34,136</b>	<b>131,805</b>	<b>131,263</b>
<b>DEFICIT BEFORE SUBSIDIES</b>	<b>(54,190)</b>	<b>(52,313)</b>	<b>(6,815)</b>	<b>(6,862)</b>	<b>(2,554)</b>	<b>(2,490)</b>	<b>(18,232)</b>	<b>(19,902)</b>	<b>(81,791)</b>	<b>(81,567)</b>
<b>OPERATING SUBSIDIES</b>										
Federal	2,299	2,223	296	299	109	106	552	628	3,256	3,256
State	42,880	41,426	5,658	5,718	2,078	2,030	10,559	12,001	61,175	61,175
Local	6,432	6,212	849	858	312	305	1,583	1,801	9,176	9,176
Lease Cost/Debt Service	2,477	2,477	12	12	2	2	5,396	5,396	7,887	7,887
Other-Route Guarantees	102	112	-	-	53	53	142	142	297	307
<b>TOTAL SUBSIDIES</b>	<b>54,190</b>	<b>52,450</b>	<b>6,815</b>	<b>6,887</b>	<b>2,554</b>	<b>2,496</b>	<b>18,232</b>	<b>19,968</b>	<b>81,791</b>	<b>81,801</b>
<b>SURPLUS AFTER SUBSIDIES</b>	<b>\$ -</b>	<b>\$ 137</b>	<b>\$ -</b>	<b>\$ 25</b>	<b>\$ -</b>	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ 66</b>	<b>\$ -</b>	<b>\$ 234</b>
Unrealized Investment Gain/(Loss)	-	151	-	8	-	2	-	128	-	289
<b>SURPLUS AFTER INVESTMENT GAIN/(LOSS)</b>	<b>\$ -</b>	<b>\$ 288</b>	<b>\$ -</b>	<b>\$ 33</b>	<b>\$ -</b>	<b>\$ 8</b>	<b>\$ -</b>	<b>\$ 194</b>	<b>\$ -</b>	<b>\$ 523</b>

**FINANCIAL REPORT - NOVEMBER 2018**

**GROUP 2 - CITY TRANSIT DIVISION**

- (2.1) Comparative Statement of Income
- (2.2) Detail Income Statement - (One Month)
- (2.3) Detail Income Statement - (YTD)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CITY TRANSIT DIVISION  
COMPARATIVE STATEMENT OF INCOME  
PERIOD ENDED DECEMBER 1, 2018

(THOUSANDS)

ONE MONTH ENDED DECEMBER 1, 2018					FIVE MONTHS ENDED DECEMBER 1, 2018					
THIS YEAR			LAST YEAR			THIS YEAR			LAST YEAR	
BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %		BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %
					<u>OPERATING REVENUES</u>					
\$ 28,296	\$ 28,097	(0.70)	\$ 28,033	0.23	Passenger Revenue	\$ 119,849	\$ 119,680	(0.14)	\$ 117,752	1.64
2,013	2,438	21.11	1,915	27.31	Other Operating Revenue	9,703	10,872	12.05	9,289	17.04
30,309	30,535	0.75	29,948	1.96	Sub-Total - Operating Revenue	129,552	130,552	0.77	127,041	2.76
1,604	1,485	(7.42)	1,605	(7.48)	Shared Ride Program	7,057	6,693	(5.16)	7,342	(8.84)
31,913	32,020	0.34	31,553	1.48	TOTAL REVENUE AVAILABLE FOR OPERATIONS	136,609	137,245	0.47	134,383	2.13
86,103	84,333	2.06	83,627	(0.84)	OPERATING EXPENSES	385,861	375,540	2.67	375,702	0.04
(54,190)	(52,313)	3.46	(52,074)	(0.46)	DEFICIT BEFORE SUBSIDIES	(249,252)	(238,295)	4.40	(241,319)	1.25
54,190	52,450	(3.21)	53,598	(2.14)	OPERATING SUBSIDIES	249,252	242,424	(2.74)	244,920	(1.02)
-	137		1,524		SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	4,129		3,601	
-	151		(172)		Unrealized Investment Gain/(Loss)	-	(159)		(236)	
\$ -	\$ 288		\$ 1,352		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ 3,970		\$ 3,365	
6,173	5,983	(3.08)	6,034	(0.85)	TOTAL VEHICLE MILES	26,687	26,589	(0.37)	26,410	0.68
502	441	(12.15)	462	(4.55)	SHARED RIDE PROGRAM IN ABOVE	2,115	1,986	(6.10)	2,101	(5.47)
16,021	15,649	(2.32)	15,159	3.23	REVENUE PASSENGER JOURNEYS	67,973	66,218	(2.58)	66,406	(0.28)
60	55	(8.33)	60	(8.33)	SHARED RIDE PROGRAM IN ABOVE	277	249	(10.11)	273	(8.79)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CITY TRANSIT DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 28,033	\$ 64	0.23	Passenger Revenue	\$ 28,296	\$ 28,097	\$ (199)	(0.70)
168	62	36.90	Investment Income	129	230	101	78.29
1,747	461	26.39	Other Income	1,884	2,208	324	17.20
29,948	587	1.96	SUB-TOTAL	30,309	30,535	226	0.75
1,605	(120)	(7.48)	Shared Ride Program	1,604	1,485	(119)	(7.42)
31,553	467	1.48	TOTAL REVENUE AVAILABLE FOR OPERATIONS	31,913	32,020	107	0.34
			<u>OPERATING EXPENSES</u>				
63,809	936	1.47	Labor & Fringe Benefits	65,946	62,873	3,073	4.66
13,509	(1,377)	(10.19)	Material & Services	13,433	14,886	(1,453)	(10.82)
2,177	78	3.58	Injuries & Damages	2,098	2,099	(1)	(0.05)
883	(51)	(5.78)	Propulsion Power	935	934	1	0.11
377	(13)	(3.45)	Fixed Rent	269	390	(121)	(44.98)
1,713	(259)	(15.12)	Fuel	2,189	1,972	217	9.91
1,159	(20)	(1.73)	Depreciation	1,233	1,179	54	4.38
83,627	(706)	(0.84)	TOTAL OPERATING EXPENSES	86,103	84,333	1,770	2.06
(52,074)	(239)	(0.46)	DEFICIT BEFORE SUBSIDIES	(54,190)	(52,313)	1,877	3.46
			<u>OPERATING SUBSIDIES</u>				
2,301	(78)	(3.39)	Federal	2,299	2,223	(76)	(3.31)
42,218	(792)	(1.88)	State	42,887	41,426	(1,461)	(3.41)
6,333	(121)	(1.91)	Local	6,433	6,212	(221)	(3.44)
2,640	(163)	(6.17)	Lease Cost/Debt Service	2,469	2,477	8	0.32
106	6	5.66	Other - Route Guarantees	102	112	10	9.80
53,598	(1,148)	(2.14)	TOTAL OPERATING SUBSIDIES	54,190	52,450	(1,740)	(3.21)
1,524	(1,387)	91.01	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	137	137	-
(172)	323		Unrealized Investment Gain/(Loss)	-	151	151	
\$ 1,352	\$ (1,064)		SURPLUS/(DEFICIT) After Investment Gain/(Loss)	\$ -	\$ 288	\$ 288	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CITY TRANSIT DIVISION  
DETAIL INCOME STATEMENT  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 117,752	\$ 1,928	1.64	Passenger Revenue	\$ 119,849	\$ 119,680	\$ (169)	(0.14)
589	174	29.54	Investment Income	560	763	203	36.25
8,700	1,409	16.20	Other Income	9,143	10,109	966	10.57
127,041	3,511	2.76	SUB-TOTAL	129,552	130,552	1,000	0.77
7,342	(649)	(8.84)	Shared Ride Program	7,057	6,693	(364)	(5.16)
134,383	2,862	2.13	TOTAL REVENUE AVAILABLE FOR OPERATIONS	136,609	137,245	636	0.47
			<u>OPERATING EXPENSES</u>				
287,019	4,566	1.59	Labor & Fringe Benefits	294,336	282,453	11,883	4.04
59,350	(3,324)	(5.60)	Material & Services	60,808	62,674	(1,866)	(3.07)
9,703	470	4.84	Injuries & Damages	9,233	9,233	-	-
4,470	(13)	(0.29)	Propulsion Power	4,576	4,483	93	2.03
1,484	(44)	(2.96)	Fixed Rent	1,443	1,528	(85)	(5.89)
7,897	(1,370)	(17.35)	Fuel	9,322	9,267	55	0.59
5,779	(123)	(2.13)	Depreciation	6,143	5,902	241	3.92
375,702	162	0.04	TOTAL OPERATING EXPENSES	385,861	375,540	10,321	2.67
(241,319)	3,024	1.25	DEFICIT BEFORE SUBSIDIES	(249,252)	(238,295)	10,957	4.40
			<u>OPERATING SUBSIDIES</u>				
11,120	(839)	(7.54)	Federal	10,579	10,281	(298)	(2.82)
192,586	(927)	(0.48)	State	197,356	191,659	(5,697)	(2.89)
28,888	(141)	(0.49)	Local	29,603	28,747	(856)	(2.89)
11,794	(590)	(5.00)	Lease Cost/Debt Service	11,204	11,204	-	-
532	1	0.19	Other - Route Guarantees	510	533	23	4.51
244,920	(2,496)	(1.02)	TOTAL OPERATING SUBSIDIES	249,252	242,424	(6,828)	(2.74)
3,601	528	(14.66)	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	4,129	4,129	-
(236)	77		Unrealized Investment Gain/(Loss)	-	(159)	(159)	
\$ 3,365	\$ 605		SURPLUS/(DEFICIT) After Investment Gain/(Loss)	\$ -	\$ 3,970	\$ 3,970	



**FINANCIAL REPORT - NOVEMBER 2018**

**GROUP 3 - VICTORY DIVISION**

- (3.1) Comparative Statement of Income
- (3.2) Detail Income Statement - (One Month)
- (3.3) Detail Income Statement - (YTD)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
VICTORY DIVISION  
COMPARATIVE STATEMENT OF INCOME  
PERIOD ENDED DECEMBER 1, 2018

(THOUSANDS)

ONE MONTH ENDED DECEMBER 1, 2018					FIVE MONTHS ENDED DECEMBER 1, 2018				
THIS YEAR			LAST YEAR		THIS YEAR			LAST YEAR	
BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %	BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %
<u>OPERATING REVENUES</u>									
\$ 2,338	\$ 2,462	5.30	\$ 2,365	4.10	\$ 10,371	\$ 10,744	3.60	\$ 10,464	2.68
220	282	28.18	226	24.78	1,037	1,246	20.15	934	33.40
<u>2,558</u>	<u>2,744</u>	<u>7.27</u>	<u>2,591</u>	<u>5.91</u>	<u>11,408</u>	<u>11,990</u>	<u>5.10</u>	<u>11,398</u>	<u>5.19</u>
<u>9,373</u>	<u>9,606</u>	<u>(2.49)</u>	<u>9,074</u>	<u>(5.86)</u>	<u>41,277</u>	<u>41,711</u>	<u>(1.05)</u>	<u>41,274</u>	<u>(1.06)</u>
<u>(6,815)</u>	<u>(6,862)</u>	<u>(0.69)</u>	<u>(6,483)</u>	<u>(5.85)</u>	<u>(29,869)</u>	<u>(29,721)</u>	<u>0.50</u>	<u>(29,876)</u>	<u>0.52</u>
<u>6,815</u>	<u>6,887</u>	<u>1.06</u>	<u>6,683</u>	<u>3.05</u>	<u>29,869</u>	<u>30,262</u>	<u>1.32</u>	<u>30,347</u>	<u>(0.28)</u>
<u>-</u>	<u>25</u>		<u>200</u>		<u>-</u>	<u>541</u>		<u>471</u>	
<u>-</u>	<u>8</u>		<u>(8)</u>		<u>-</u>	<u>(11)</u>		<u>(13)</u>	
<u>\$ -</u>	<u>\$ 33</u>		<u>\$ 192</u>		<u>\$ -</u>	<u>\$ 530</u>		<u>\$ 458</u>	
1,138	1,099	(3.43)	1,089	0.92	4,895	4,821	(1.51)	4,875	(1.11)
1,260	1,280	1.59	1,296	(1.23)	5,528	5,555	0.49	5,650	(1.68)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
VICTORY DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR		THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET		
	AMOUNT	%	AMOUNT	AMOUNT	AMOUNT	%	
<u>OPERATING REVENUES</u>							
\$ 2,365	\$ 97	4.10	Passenger Revenue	\$ 2,338	\$ 2,462	\$ 124	5.30
10	2	20.00	Investment Income	6	12	6	-
216	54	25.00	Other Income	214	270	56	26.17
2,591	153	5.91	TOTAL REVENUE AVAILABLE FOR OPERATIONS	2,558	2,744	186	7.27
 <u>OPERATING EXPENSES</u>							
6,675	(462)	(6.92)	Labor & Fringe Benefits	6,936	7,137	(201)	(2.90)
1,869	(56)	(3.00)	Material & Services	1,860	1,925	(65)	(3.49)
103	-	-	Injuries & Damages	103	103	-	-
95	(2)	(2.11)	Propulsion Power	97	97	-	-
17	1	5.88	Fixed Rent	14	16	(2)	(14.29)
297	(14)	(4.71)	Fuel	345	311	34	9.86
18	1	5.56	Depreciation	18	17	1	5.56
9,074	(532)	(5.86)	TOTAL OPERATING EXPENSES	9,373	9,606	(233)	(2.49)
(6,483)	(379)	(5.85)	DEFICIT BEFORE SUBSIDIES	(6,815)	(6,862)	(47)	(0.69)
 <u>OPERATING SUBSIDIES</u>							
295	4	1.36	Federal	296	299	3	1.01
5,542	176	3.18	State	5,658	5,718	60	1.06
832	26	3.13	Local	849	858	9	1.06
14	(2)	(14.29)	Lease Cost/Debt Service	12	12	-	-
-	-	-	Other - Route Guarantees	-	-	-	-
6,683	204	3.05	TOTAL OPERATING SUBSIDIES	6,815	6,887	72	1.06
200	(175)	87.50	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	25	25	-
(8)	16		Unrealized Investment Gain/(Loss)	-	8	8	
\$ 192	\$ (159)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ 33	\$ 33	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
VICTORY DIVISION  
DETAIL INCOME STATEMENT  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

<u>LAST YEAR</u> <u>AMOUNT</u>	<u>THIS YEAR ACTUAL</u> <u>BETTER (WORSE) LAST YEAR</u>			<u>THIS YEAR</u>		<u>THIS YEAR ACTUAL</u> <u>BETTER (WORSE) BUDGET</u>	
	<u>AMOUNT</u>	<u>%</u>		<u>BUDGET</u> <u>AMOUNT</u>	<u>ACTUAL</u> <u>AMOUNT</u>	<u>AMOUNT</u>	<u>%</u>
			<u>OPERATING REVENUES</u>				
\$ 10,464	\$ 280	2.68	Passenger Revenue	\$ 10,371	\$ 10,744	\$ 373	3.60
31	6	19.35	Investment Income	27	37	10	37.04
903	306	33.89	Other Income	1,010	1,209	199	19.70
<u>11,398</u>	<u>592</u>	<u>5.19</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>11,408</u>	<u>11,990</u>	<u>582</u>	<u>5.10</u>
			<u>OPERATING EXPENSES</u>				
30,845	(101)	(0.33)	Labor & Fringe Benefits	30,333	30,946	(613)	(2.02)
8,031	(126)	(1.57)	Material & Services	8,359	8,157	202	2.42
457	5	1.09	Injuries & Damages	452	452	-	-
438	(21)	(4.79)	Propulsion Power	460	459	1	0.22
67	(8)	(11.94)	Fixed Rent	72	75	(3)	(4.17)
1,349	(184)	(13.64)	Fuel	1,509	1,533	(24)	(1.59)
87	(2)	(2.30)	Depreciation	92	89	3	3.26
<u>41,274</u>	<u>(437)</u>	<u>(1.06)</u>	TOTAL OPERATING EXPENSES	<u>41,277</u>	<u>41,711</u>	<u>(434)</u>	<u>(1.05)</u>
<u>(29,876)</u>	<u>155</u>	<u>0.52</u>	DEFICIT BEFORE SUBSIDIES	<u>(29,869)</u>	<u>(29,721)</u>	<u>148</u>	<u>0.50</u>
			<u>OPERATING SUBSIDIES</u>				
1,332	(17)	(1.28)	Federal	1,298	1,315	17	1.31
25,175	(51)	(0.20)	State	24,797	25,124	327	1.32
3,777	(8)	(0.21)	Local	3,720	3,769	49	1.32
63	(9)	(14.29)	Lease Cost/Debt Service	54	54	-	-
-	-	0.00	Other - Route Guarantees	-	-	-	0.00
<u>30,347</u>	<u>(85)</u>	<u>(0.28)</u>	TOTAL OPERATING SUBSIDIES	<u>29,869</u>	<u>30,262</u>	<u>393</u>	<u>1.32</u>
<u>471</u>	<u>70</u>	<u>(14.86)</u>	SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>541</u>	<u>541</u>	<u>-</u>
<u>(13)</u>	<u>2</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>(11)</u>	<u>(11)</u>	
<u>\$ 458</u>	<u>\$ 72</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ 530</u>	<u>\$ 530</u>	

**FINANCIAL REPORT - NOVEMBER 2018**

**GROUP 4 - FRONTIER DIVISION**

- (4.1) Comparative Statement of Income
- (4.2) Detail Income Statement - (One Month)
- (4.3) Detail Income Statement - (YTD)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
FRONTIER DIVISION  
COMPARATIVE STATEMENT OF INCOME  
PERIOD ENDED DECEMBER 1, 2018

(THOUSANDS)

ONE MONTH ENDED DECEMBER 1, 2018					FIVE MONTHS ENDED DECEMBER 1, 2018					
THIS YEAR			LAST YEAR			THIS YEAR			LAST YEAR	
BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %		BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %
					<u>OPERATING REVENUES</u>					
\$ 628	\$ 620	(1.27)	\$ 669	(7.32)	Passenger Revenue	\$ 2,819	\$ 2,817	(0.07)	\$ 2,738	2.89
65	78	20.00	61	27.87	Other Operating Revenue	317	322	1.58	297	8.42
<u>693</u>	<u>698</u>	0.72	<u>730</u>	(4.38)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>3,136</u>	<u>3,139</u>	0.10	<u>3,035</u>	3.43
<u>3,247</u>	<u>3,188</u>	1.82	<u>3,292</u>	3.16	OPERATING EXPENSES	<u>14,502</u>	<u>14,673</u>	(1.18)	<u>14,348</u>	(2.27)
(2,554)	(2,490)	2.51	(2,562)	2.81	DEFICIT BEFORE SUBSIDIES	(11,366)	(11,534)	(1.48)	(11,313)	(1.95)
<u>2,554</u>	<u>2,496</u>	(2.27)	<u>2,638</u>	(5.38)	OPERATING SUBSIDIES	<u>11,366</u>	<u>11,739</u>	3.28	<u>11,487</u>	2.19
<u>-</u>	<u>6</u>		<u>76</u>		SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>205</u>		<u>174</u>	
<u>-</u>	<u>2</u>		<u>(1)</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>(3)</u>		<u>(3)</u>	
<u>\$ -</u>	<u>\$ 8</u>		<u>\$ 75</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ 202</u>		<u>\$ 171</u>	
528	534	1.14	530	0.75	TOTAL VEHICLE MILES	2,308	2,354	1.99	2,358	(0.17)
305	313	2.62	348	(10.06)	REVENUE PASSENGER JOURNEYS	1,369	1,432	4.60	1,405	1.92

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
FRONTIER DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 669	\$ (49)	(7.32)	Passenger Revenue	\$ 628	\$ 620	\$ (8)	(1.27)
3	-	-	Investment Income	2	3	1	50.00
58	17	29.31	Other Income	63	75	12	19.05
730	(32)	(4.38)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	693	698	5	0.72
			<u>OPERATING EXPENSES</u>				
2,678	164	6.12	Labor & Fringe Benefits	2,553	2,514	39	1.53
377	(27)	(7.16)	Material & Services	407	404	3	0.74
50	11	22.00	Injuries & Damages	40	39	1	2.50
6	1	16.67	Fixed Rent	5	5	-	-
177	(44)	(24.86)	Fuel	238	221	17	7.14
4	(1)	(25.00)	Depreciation	4	5	(1)	(25.00)
3,292	104	3.16	TOTAL OPERATING EXPENSES	3,247	3,188	59	1.82
(2,562)	72	2.81	DEFICIT BEFORE SUBSIDIES	(2,554)	(2,490)	64	2.51
			<u>OPERATING SUBSIDIES</u>				
114	(8)	(7.02)	Federal	109	106	(3)	(2.75)
2,146	(116)	(5.41)	State	2,078	2,030	(48)	(2.31)
322	(17)	(5.28)	Local	312	305	(7)	(2.24)
3	(1)	(33.33)	Lease Cost/Debt Service	2	2	-	-
53	-	-	Other - Route Guarantees	53	53	-	-
2,638	(142)	(5.38)	TOTAL OPERATING SUBSIDIES	2,554	2,496	(58)	(2.27)
76	(70)	92.11	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	6	6	-
(1)	3		Unrealized Investment Gain/(Loss)	-	2	2	
\$ 75	\$ (67)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	-	\$ 8	\$ 8	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
FRONTIER DIVISION  
DETAIL INCOME STATEMENT  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 2,738	\$ 79	2.89	Passenger Revenue	\$ 2,819	\$ 2,817	\$ (2)	(0.07)
9	2	22.22	Investment Income	7	11	4	57.14
288	23	7.99	Other Income	310	311	1	0.32
3,035	104	3.43	TOTAL REVENUE AVAILABLE FOR OPERATIONS	3,136	3,139	3	0.10
			<u>OPERATING EXPENSES</u>				
11,542	(86)	(0.75)	Labor & Fringe Benefits	11,411	11,628	(217)	(1.90)
1,703	(88)	(5.17)	Material & Services	1,833	1,791	42	2.29
223	47	21.08	Injuries & Damages	176	176	-	-
23	(1)	(4.35)	Fixed Rent	25	24	1	4.00
837	(195)	(23.30)	Fuel	1,037	1,032	5	0.48
20	(2)	(10.00)	Depreciation	20	22	(2)	(10.00)
14,348	(325)	(2.27)	TOTAL OPERATING EXPENSES	14,502	14,673	(171)	(1.18)
(11,313)	(221)	(1.95)	DEFICIT BEFORE SUBSIDIES	(11,366)	(11,534)	(168)	(1.48)
			<u>OPERATING SUBSIDIES</u>				
503	(4)	(0.80)	Federal	483	499	16	3.31
9,309	221	2.37	State	9,221	9,530	309	3.35
1,396	34	2.44	Local	1,383	1,430	47	3.40
16	(2)	(12.50)	Lease Cost/Debt Service	14	14	-	-
263	3	1.14	Other - Route Guarantees	265	266	1	0.38
11,487	252	2.19	TOTAL OPERATING SUBSIDIES	11,366	11,739	373	3.28
174	31	(17.82)	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	205	205	-
(3)	-		Unrealized Investment Gain/(Loss)	-	(3)	(3)	
\$ 171	\$ 31		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS	\$ -	\$ 202	\$ 202	



**FINANCIAL REPORT - NOVEMBER 2018**

**GROUP 5 - REGIONAL RAIL DIVISION**

- (5.1) Comparative Statement of Income
- (5.2) Detail Income Statement - (One Month)
- (5.3) Detail Income Statement - (YTD)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
REGIONAL RAIL DIVISION  
COMPARATIVE STATEMENT OF INCOME  
PERIOD ENDED DECEMBER 1, 2018

(THOUSANDS)

ONE MONTH ENDED DECEMBER 1, 2018					FIVE MONTHS ENDED DECEMBER 1, 2018					
THIS YEAR			LAST YEAR			THIS YEAR			LAST YEAR	
BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %		BUDGET AMOUNT	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) BUDGET %	ACTUAL AMOUNT	ACTUAL BETTER/ (WORSE) LAST YEAR %
					<u>OPERATING REVENUES</u>					
\$ 13,565	\$ 12,960	(4.46)	\$ 13,187	(1.72)	Passenger Revenue	\$ 61,932	\$ 59,037	(4.67)	\$ 60,114	(1.79)
1,285	1,274	(0.86)	1,886	(32.45)	Other Operating Revenue	5,944	5,948	0.07	6,231	(4.54)
<u>14,850</u>	<u>14,234</u>	<u>(4.15)</u>	<u>15,073</u>	<u>(5.57)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>67,876</u>	<u>64,985</u>	<u>(4.26)</u>	<u>66,345</u>	<u>(2.05)</u>
<u>33,082</u>	<u>34,136</u>	<u>(3.19)</u>	<u>34,769</u>	<u>1.82</u>	OPERATING EXPENSES	<u>147,255</u>	<u>149,368</u>	<u>(1.43)</u>	<u>151,042</u>	<u>1.11</u>
<u>(18,232)</u>	<u>(19,902)</u>	<u>(9.16)</u>	<u>(19,696)</u>	<u>(1.05)</u>	DEFICIT BEFORE SUBSIDIES	<u>(79,379)</u>	<u>(84,383)</u>	<u>(6.30)</u>	<u>(84,697)</u>	<u>0.37</u>
<u>18,232</u>	<u>19,968</u>	<u>9.52</u>	<u>20,097</u>	<u>(0.64)</u>	OPERATING SUBSIDIES	<u>79,379</u>	<u>85,464</u>	<u>7.67</u>	<u>85,610</u>	<u>(0.17)</u>
<u>-</u>	<u>66</u>		<u>401</u>		SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>1,081</u>		<u>913</u>	
<u>-</u>	<u>128</u>		<u>(142)</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>(33)</u>		<u>(90)</u>	
<u>\$ -</u>	<u>\$ 194</u>		<u>\$ 259</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ 1,048</u>		<u>\$ 823</u>	
2,056	2,001	(2.68)	2,072	(3.43)	TOTAL VEHICLE MILES	9,138	8,886	(2.76)	9,028	(1.57)
3,400	3,339	(1.79)	3,311	0.85	REVENUE PASSENGER JOURNEYS	14,724	14,241	(3.28)	14,360	(0.83)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
REGIONAL RAIL DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED DECEMBER 1, 2018

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET      ACTUAL		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 13,187	\$ (227)	(1.72)	Passenger Revenue	\$ 13,565	\$ 12,960	\$ (605)	(4.46)
160	11	6.88	Investment Income	133	171	38	28.57
1,726	(623)	(36.10)	Other Income	1,152	1,103	(49)	(4.25)
15,073	(839)	(5.57)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	14,850	14,234	(616)	(4.15)
			<u>OPERATING EXPENSES</u>				
21,264	(394)	(1.85)	Labor & Fringe Benefits	20,978	21,658	(680)	(3.24)
10,798	796	7.37	Material & Services	9,559	10,002	(443)	(4.63)
494	35	7.09	Injuries & Damages	459	459	-	-
1,444	(13)	(0.90)	Propulsion Power	1,526	1,457	69	4.52
110	7	6.36	Fixed Rent	100	103	(3)	(3.00)
49	(3)	(6.12)	Fuel	61	52	9	14.75
610	205	33.61	Depreciation	399	405	(6)	(1.50)
34,769	633	1.82	TOTAL OPERATING EXPENSES	33,082	34,136	(1,054)	(3.19)
(19,696)	(206)	(1.05)	DEFICIT BEFORE SUBSIDIES	(18,232)	(19,902)	(1,670)	(9.16)
			<u>OPERATING SUBSIDIES</u>				
632	(4)	(0.63)	Federal	552	628	76	13.77
11,877	124	1.04	State	10,559	12,001	1,442	13.66
1,781	20	1.12	Local	1,583	1,801	218	13.77
5,683	(287)	(5.05)	Lease Cost/Debt Service	5,396	5,396	-	-
124	18	14.52	Other - Route Guarantees	142	142	-	-
20,097	(129)	(0.64)	TOTAL OPERATING SUBSIDIES	18,232	19,968	1,736	9.52
401	(335)	83.54	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	66	66	-
(142)	270		Unrealized Investment Gain/(Loss)	-	128	128	
\$ 259	\$ (65)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ 194	\$ 194	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
REGIONAL RAIL DIVISION  
DETAIL INCOME STATEMENT  
FIVE MONTHS ENDED DECEMBER 1, 2018

(THOUSANDS)

<u>LAST YEAR</u> <u>AMOUNT</u>	<u>THIS YEAR ACTUAL</u>			<u>THIS YEAR</u>		<u>THIS YEAR ACTUAL</u>	
	<u>BETTER (WORSE) LAST YEAR</u> <u>AMOUNT</u>	<u>%</u>		<u>BUDGET</u> <u>AMOUNT</u>	<u>ACTUAL</u> <u>AMOUNT</u>	<u>BETTER (WORSE) BUDGET</u> <u>AMOUNT</u>	<u>%</u>
			<u>OPERATING REVENUES</u>				
\$ 60,114	\$ (1,077)	(1.79)	Passenger Revenue	\$ 61,932	\$ 59,037	\$ (2,895)	(4.67)
608	101	16.61	Investment Income	581	709	128	22.03
5,623	(384)	(6.83)	Other Income	5,363	5,239	(124)	(2.31)
<u>66,345</u>	<u>(1,360)</u>	<u>(2.05)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>67,876</u>	<u>64,985</u>	<u>(2,891)</u>	<u>(4.26)</u>
			<u>OPERATING EXPENSES</u>				
93,156	1,880	2.02	Labor & Fringe Benefits	90,463	91,276	(813)	(0.90)
44,503	(934)	(2.10)	Material & Services	44,108	45,437	(1,329)	(3.01)
2,349	165	7.02	Injuries & Damages	2,184	2,184	-	-
7,340	10	0.14	Propulsion Power	7,725	7,330	395	5.11
534	2	0.37	Fixed Rent	495	532	(37)	(7.47)
192	(17)	(8.85)	Fuel	269	209	60	22.30
2,968	568	19.14	Depreciation	2,011	2,400	(389)	(19.34)
<u>151,042</u>	<u>1,674</u>	<u>1.11</u>	TOTAL OPERATING EXPENSES	<u>147,255</u>	<u>149,368</u>	<u>(2,113)</u>	<u>(1.43)</u>
<u>(84,697)</u>	<u>314</u>	<u>0.37</u>	DEFICIT BEFORE SUBSIDIES	<u>(79,379)</u>	<u>(84,383)</u>	<u>(5,004)</u>	<u>(6.30)</u>
			<u>OPERATING SUBSIDIES</u>				
3,487	(860)	(24.66)	Federal	2,362	2,627	265	11.22
48,874	1,330	2.72	State	45,143	50,204	5,061	11.21
7,331	200	2.73	Local	6,771	7,531	760	11.22
25,380	(987)	(3.89)	Lease Cost/Debt Service	24,393	24,393	-	-
538	171	31.78	Other - Route Guarantees	710	709	(1)	(0.14)
<u>85,610</u>	<u>(146)</u>	<u>(0.17)</u>	TOTAL OPERATING SUBSIDIES	<u>79,379</u>	<u>85,464</u>	<u>6,085</u>	<u>7.67</u>
<u>913</u>	<u>168</u>	<u>(18.40)</u>	SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>1,081</u>	<u>1,081</u>	<u>-</u>
<u>(90)</u>	<u>57</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>(33)</u>	<u>(33)</u>	
<u>\$ 823</u>	<u>\$ 225</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ 1,048</u>	<u>\$ 1,048</u>	

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EXHIBIT "B"  
page  
1

All SEPTA Drives NO  
not to say high school  
Walmart between 47 and 48

A dangerous SEPTA woman  
on SEPTA between  
47 and 48 on Walmart street  
dangerous woman said  
high school not all times  
but some times before

on 67 SEPTA a  
dangerous SEPTA woman  
between 47 and 48 Walmart  
said high school  
should never say high school  
high school ended  
6 or 8 years ago computers  
someone stole 40 thousand  
dollars for internet  
for students give to  
cease things on edge  
of danger SEPTA  
windows high school  
students said had  
ingress high school students  
construction work wanted to  
make apartment buildings  
lots of market vegetables  
in from for former high school  
lots of people living here  
will never be a high school

47 and 48  
Street

between

should never  
say high school  
on Walmart street

All sellers follows no  
motor to over said high  
school on walnut street  
between 47 and 48

page  
2

Thursday December 6 on  
64 SEPTA bus a dangerous  
SEPTA woman between  
47 and 48 on walnut  
said high school though  
never said high school  
high school ended 6, 7 or 8  
years ago ~~at~~ all  
SEPTA TRIPPER no  
not to say high school  
on 21 SEPTA a dangerous  
SEPTA woman about one  
time on 21 SEPTA said  
high school on Walnut street  
between 47 and 48 street  
NEVER should say high school  
high school ended 6, 7, 8 years ago  
6, 7, 8 years ago someone stole  
40 thousand of laptop computers  
from children from high school  
gave to find with stores on  
street vendors stole 40 thousand  
of laptop computers from students  
we ended high school  
construction work on south side  
of walnut street bet 47 and 48  
went to market but there  
no lots of motor vehicles  
in front of market high school  
~~the~~ lots of people living here  
that was never be a high school  
never would say high school