

Board Report

Selected Financial and Operating
Performance Results
March 2018

Southeastern Pennsylvania Transportation Authority





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General Manager
Jeffrey D. Knueppel, P.E.

Date: April 25, 2018

To: SEPTA Board Members

From: Jeffrey D. Knueppel

Re: Financial & Operating Highlights – March 2018

I am pleased to present the Financial and Operating Highlights for March 2018.

OPERATING REVENUE

Passenger revenue for March 2018 is 5.8% lower than budget and is 2.6% better than March 2017. Year-to-date passenger revenue is 2.9% lower than budget. Other operating revenue is 4.8% lower than budget for the month and 3.1% higher than budget year-to-date.

OPERATING EXPENSES

Total operating expenses are 1.1% lower than budget for March 2018, and 1.6% lower than budget year-to-date. Labor and Fringe expenses are 9.2% lower than budget for the month and 3.6% below budget year-to-date. There is a \$2.0 million deficit after subsidies for the month, and a year-to-date surplus of \$7.1 million.

CUSTOMERS PRAISE OPERATORS, ENGINEERS, CONDUCTORS

On March 16, 2018 SEPTA celebrated National Transit Driver Appreciation Day. Customers were invited to share their words of appreciation about operators, engineers and conductors on iseptaphilly.com. More than 100 responded with stories such as this one from a rider named Christopher: "What can I say which hasn't already been said by myself, as well as the innumerable masses whom take SEPTA on a daily, weekly, monthly, or yearly basis!? Not to mention tourists, and/or first time transplants... SEPTA takes you places far beyond the reach of just the inner city depths. Whether I am taking the trolleys and busses in the city, or whether I am going to the suburbs via the NHSL or the Regional Rail, I tend to enjoy the ride thanks to the operators and conductors, so I just have to say thank you for 26 years of excellence. Safety to and from the various places I had resided in the city over the years is one of the reasons I can say thank you. Thanks!" The top 11 entries were selected for prizes.

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SEPTA ANNOUNCES END OF TOKEN SALES

In March, SEPTA gave customers notice that token sales will end at all Authority-operated locations on April 30, 2018. This phase-out comes as more customers move from tokens, magnetic stripe passes and paper tickets to the SEPTA Key Card. SEPTA will continue to accept purchased tokens for the foreseeable future, so customers will not lose money they have already spent on tokens. Tokens will continue to be sold in bulk to social service agencies beyond April 30, as work continues to implement a new method for these organizations to provide SEPTA fares to their clients.

SEPTA TAKES RIDERS OUT OF WINTER'S GLOOM

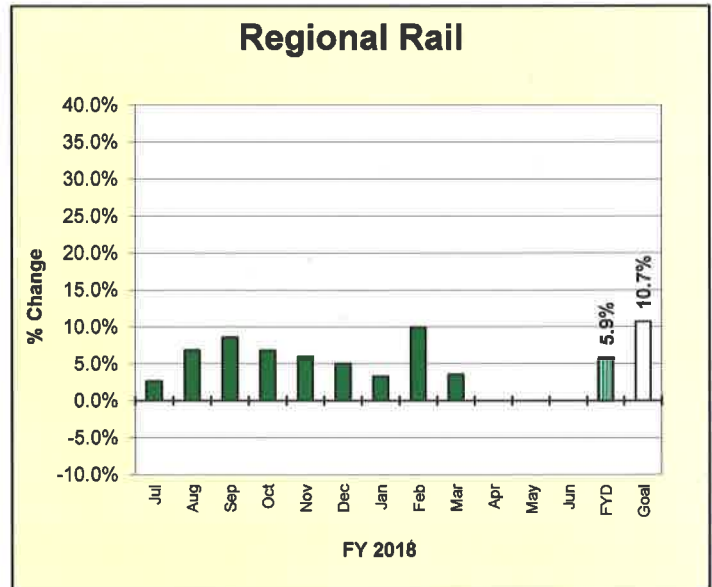
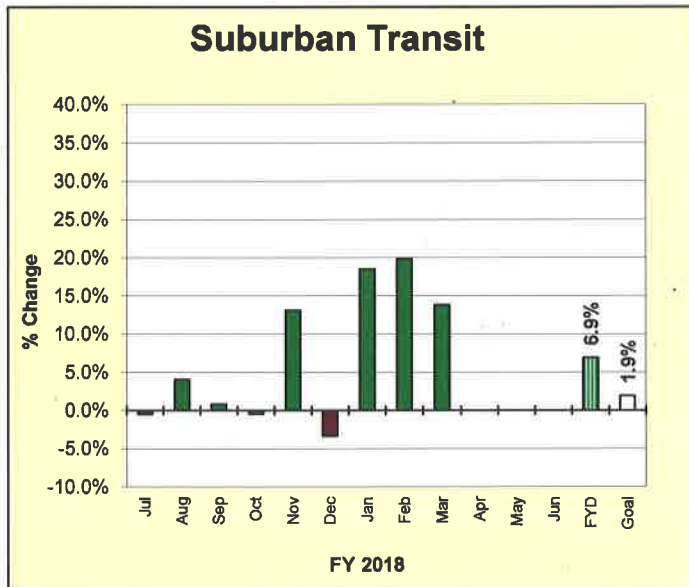
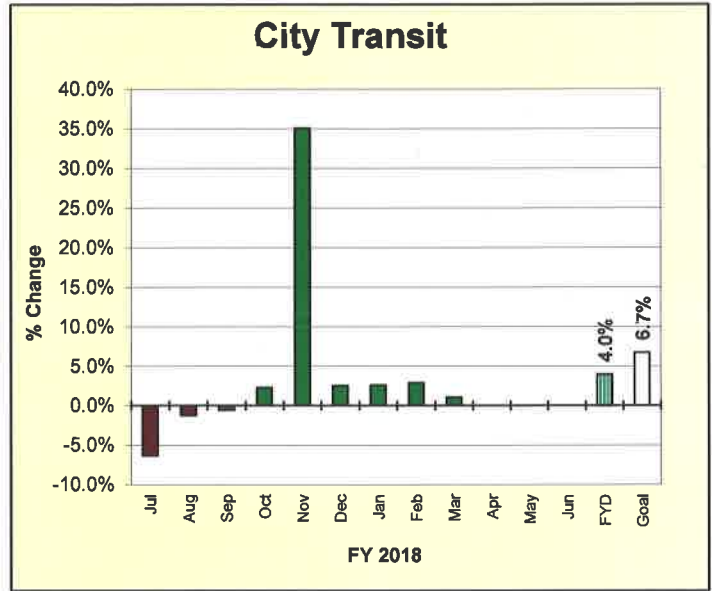
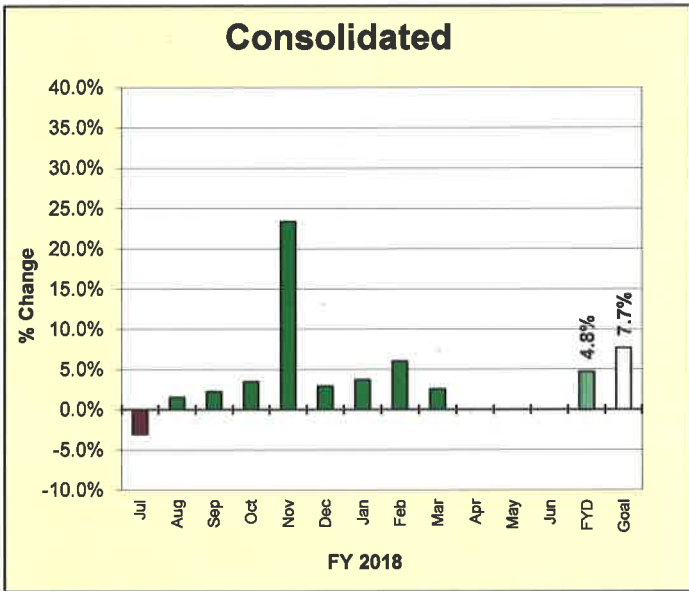
For just a few days in the beginning of every March, SEPTA becomes more than a way to travel to and from work and school - the Authority's trains, buses and trolleys become the best way to escape the gloom of winter, and fast forward to spring with a visit to the Philadelphia Flower Show. The 2018 show, with the theme "Wonders of Water", was held at the Pennsylvania Convention Center March 3rd through March 11th. During the nine-day event, SEPTA's Jefferson Station was transformed into a Flower Show Junction, the hub for travel to and from the show. Thousands attend the Flower Show each year, including 250,000 visitors who made their way to this year's show, braving two late-season Nor'easters that hit the Philadelphia region within a span of just a few days.

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SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FINANCIAL STATEMENT SUMMARY
PERIOD ENDED MARCH 31, 2018
(Thousands)

Month of March				Nine Months through March			
2018		2017		2018		2017	
BUDGET	ACTUAL	VARIANCE	ACTUAL	BUDGET	ACTUAL	VARIANCE	ACTUAL
OPERATING REVENUES				OPERATING REVENUES			
\$ 46,572	43,852	\$ (2,720)	\$ 42,758	\$ 353,057	342,676	\$ (10,381)	\$ 327,125
1,800	1,392	(408)	1,583	13,770	12,227	(1,543)	12,919
125	232	107	165	1,190	2,182	992	1,355
2,994	3,061	67	3,479	26,375	28,194	1,819	26,064
\$ 51,491	\$ 48,537	\$ (2,954)	\$ 47,985	\$ 394,392	\$ 385,279	\$ (9,113)	\$ 367,463
OPERATING EXPENSES				OPERATING EXPENSES			
\$ 60,806	\$ 59,990	\$ 816	\$ 57,522	\$ 470,567	\$ 467,897	\$ 2,670	\$ 459,478
37,819	29,581	8,238	31,426	301,440	276,403	25,037	279,441
28,680	26,611	2,069	26,659	215,778	210,884	4,894	204,912
2,829	829	2,000	2,754	22,502	20,502	2,000	21,524
2,725	2,409	316	2,635	24,629	22,803	1,826	24,266
384	510	(126)	809	3,501	3,813	(312)	8,249
2,548	2,313	235	2,156	19,055	17,953	1,102	18,214
1,724	1,618	106	1,640	15,432	15,512	(80)	14,405
(12,283)	-	(12,283)	-	(20,472)	-	(20,472)	-
\$ 125,232	\$ 123,861	\$ 1,371	\$ 125,601	\$ 1,052,432	\$ 1,035,767	\$ 16,665	\$ 1,030,489
DEFICIT BEFORE SUBSIDIES				DEFICIT BEFORE SUBSIDIES			
\$ (73,741)	\$ (75,324)	\$ (1,583)	\$ (77,616)	\$ (658,040)	\$ (650,488)	\$ 7,552	\$ (663,026)
OPERATING SUBSIDIES				OPERATING SUBSIDIES			
\$ 3,455	\$ 3,461	\$ 6	\$ 3,330	\$ 27,296	\$ 28,819	\$ 1,523	\$ 27,354
63,869	53,352	(10,517)	58,088	504,634	486,997	(17,637)	477,014
9,580	8,004	(1,576)	8,714	75,695	73,050	(2,645)	71,553
8,837	8,270	(567)	8,311	68,338	66,292	(2,046)	68,308
283	283	-	272	2,549	2,466	(83)	2,446
(12,283)	-	12,283	-	(20,472)	-	20,472	-
\$ 73,741	\$ 73,370	\$ (371)	\$ 78,715	\$ 658,040	\$ 657,624	\$ (416)	\$ 646,675
SURPLUS/(DEFICIT) AFTER SUBSIDIES				SURPLUS/(DEFICIT) AFTER SUBSIDIES			
\$ -	\$ (1,954)	\$ (1,954)	\$ 1,099	\$ -	\$ 7,136	\$ 7,136	\$ (16,351)
-	(9)	(9)	(147)	-	(900)	(900)	(1,355)
\$ -	\$ (1,963)	\$ (1,963)	\$ 952	\$ -	\$ 6,236	\$ 6,236	\$ (17,706)
Unrealized Investment Gain/(Loss)				Unrealized Investment Gain/(Loss)			
SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)				SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)			

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
REVENUE PERFORMANCE
 FY 2018 Actual vs. FY 2017 Actual



SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
RIDERSHIP PERFORMANCE
 FY 2018 Actual vs. FY 2017 Actual

