

Board Report

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Selected Financial and Operating  
Performance Results  
November 2018

**Southeastern Pennsylvania Transportation Authority**





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**General Manager**  
Jeffrey D. Knueppel, P.E.

Date: December 20, 2018  
To: SEPTA Board Members  
From: Jeffrey D. Knueppel  
Re: Financial & Operating Highlights – November 2018

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

***OPERATING REVENUE***

Passenger revenue for November 2018 is 1.5% below budget and 0.3% below November 2017. Year-to-date passenger revenue is 1.4% lower than budget. Other operating revenue is 7.1% higher than budget for the month, and 4.3% above budget year-to-date.

***OPERATING EXPENSES***

Total operating expenses are 0.4% lower than budget for November 2018, and 1.3% lower than budget year-to-date. Labor and Fringe expenses are 2.3% lower than budget for the month and 2.4% below budget year-to-date. There is a \$234 thousand surplus after subsidies for the month, and a year-to-date surplus of \$5.9 million.

***BENEFIT HELD TO SUPPORT HUB OF HOPE***

Project HOME, the City of Philadelphia and SEPTA held the second benefit for Hub of Hope at Loews Philadelphia Hotel on November 1, 2018. The charitable event gathered hundreds of community and business leaders to support Project HOME, the Hub of Hope and a new initiative to provide a safe haven and beds for those suffering with opioid use disorder and homelessness. In 2017, the more than \$864,000 contributed by many generous local companies, organizations and individuals, funded the start-up costs for the 11,000-square-foot permanent Hub of Hope in the Center City sub-concourse, as well as upgrades to bathroom and personal care facilities at several local service organizations. The Hub of Hope, which is operated by Project HOME and provides a gateway to vital services and care for Philadelphia's homeless, is the first-of-its-kind engagement center for the homeless created via a partnership with a social services agency, a transportation authority and a municipality. In the first six months of operation, the Hub of Hope touched over 2,500 different people through more than 41,000 visits. The Hub of Hope has provided over 1,200 case management visits and facilitated over 1,240 placements into shelters, treatment, safe havens, and other locations. Each day, 350 to 400 people find comfort, care and dignity in the showers, loads of laundry, food and health services available at the Hub of Hope, and dinner is being served on weekends and expanding to five nights a week.

***OVER 2,000 CUSTOMERS JOIN KEY ROLLOUT ON REGIONAL RAIL***

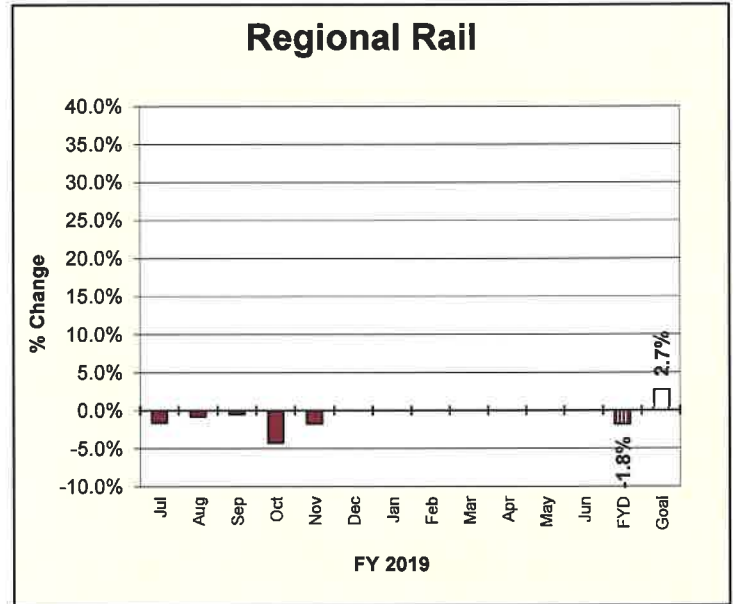
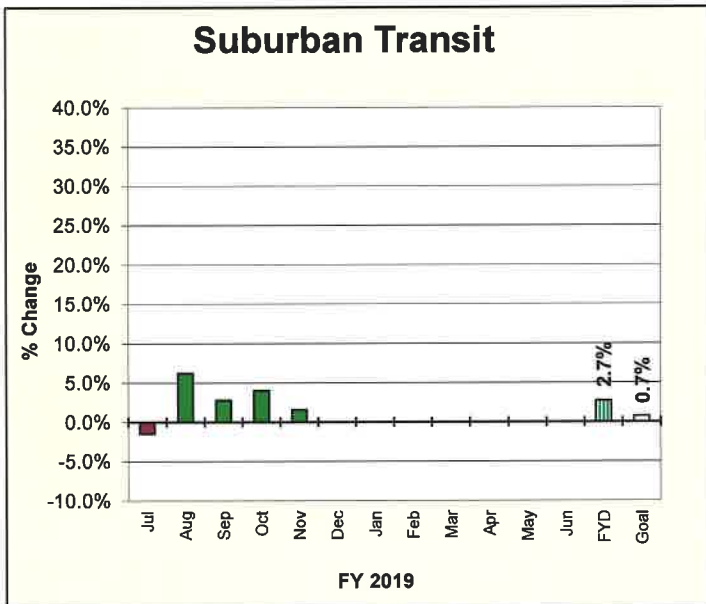
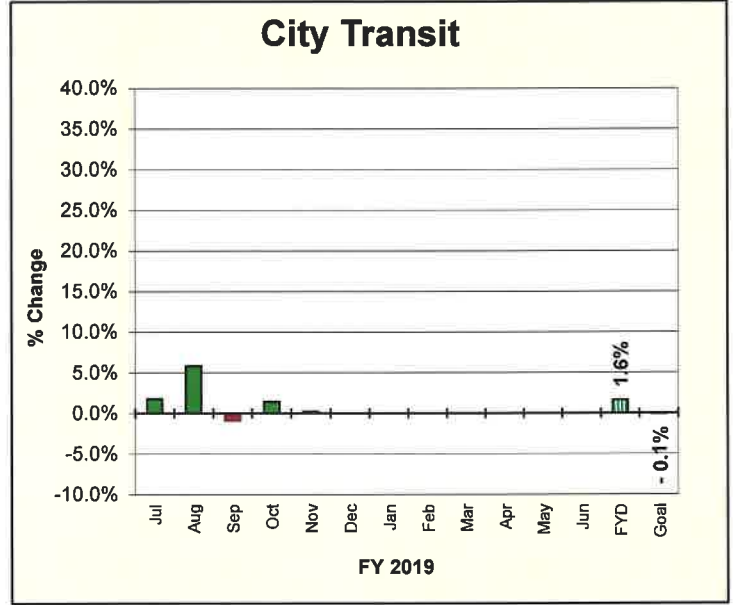
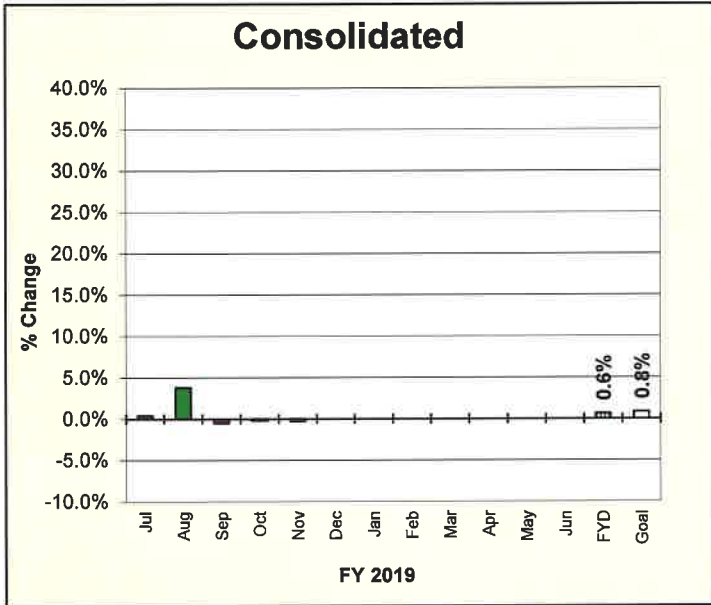
Since its launch in August, the "Early Adopters" program for the SEPTA Key on Regional Rail has resulted in over 2,000 customers in Zones 3 and 4 purchasing Key Cards loaded with Weekly or Monthly TrailPasses. Now, similar to how Key was rolled out on other transit modes, SEPTA has temporarily stopped sales of new Key Cards for Regional Rail to evaluate the results of the Early Adopters program and make preparations for further expansion in the new year. Customers who already have Key Cards can continue to load Zone 3 and 4 TrailPasses. SEPTA is now examining the core functions and activities of the Key on Regional Rail, including the new turnstiles at Center City Stations, handheld validators used by conductors and platform validators at Zone 3 and 4 stations. SEPTA is also reviewing review comments and feedback from riders to look for ways to enhance the customer experience moving forward.

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**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**FINANCIAL STATEMENT SUMMARY**  
**PERIOD ENDED DECEMBER 1, 2018**  
(Thousands)

<b>Month of November</b>				<b>Five Months through November</b>				
2018		VARIANCE	2017		2018		2017	
BUDGET	ACTUAL		ACTUAL	BUDGET	ACTUAL	VARIANCE	ACTUAL	
\$ 44,827	44,139	\$ (688)	\$ 44,254					
1,604	1,485	(119)	1,605					
270	416	146	341					
3,313	3,656	343	3,747					
<b>\$ 50,014</b>	<b>\$ 49,696</b>	<b>\$ (318)</b>	<b>\$ 49,947</b>					
				<b>OPERATING REVENUES</b>				
				Passenger Revenue				
				\$ 194,971	\$ 192,278	\$ (2,693)	\$ 191,068	
				Shared Ride Program				
				7,057	6,693	(364)	7,342	
				Investment Income				
				1,175	1,520	345	1,237	
				Other Income				
				15,826	16,868	1,042	15,514	
				<b>\$ 219,029</b>	<b>\$ 217,359</b>	<b>\$ (1,670)</b>	<b>\$ 215,161</b>	
				<b>TOTAL OPERATING REVENUE</b>				
				<b>OPERATING EXPENSES</b>				
				Labor, including Paid Absences				
\$ 61,008	\$ 61,821	\$ (813)	\$ 60,506	\$ 266,939	\$ 264,343	\$ 2,596	\$ 261,877	
35,405	32,361	3,044	33,920	159,604	151,960	7,644	160,685	
25,259	27,217	(1,958)	26,553	115,108	118,059	(2,951)	113,587	
2,700	2,700	-	2,824	12,045	12,045	-	12,732	
2,558	2,488	70	2,422	12,761	12,272	489	12,248	
388	514	(126)	510	2,035	2,159	(124)	2,108	
2,833	2,556	277	2,236	12,137	12,041	96	10,275	
1,654	1,606	48	1,791	8,266	8,413	(147)	8,854	
<b>\$ 131,805</b>	<b>\$ 131,263</b>	<b>\$ 542</b>	<b>\$ 130,762</b>	<b>\$ 588,895</b>	<b>\$ 581,292</b>	<b>\$ 7,603</b>	<b>\$ 582,366</b>	
				<b>TOTAL OPERATING EXPENSES</b>				
				<b>DEFICIT BEFORE SUBSIDIES</b>				
<b>\$ (81,791)</b>	<b>\$ (81,567)</b>	<b>\$ 224</b>	<b>\$ (80,815)</b>	<b>\$ (369,866)</b>	<b>\$ (363,933)</b>	<b>\$ 5,933</b>	<b>\$ (367,205)</b>	
				<b>OPERATING SUBSIDIES</b>				
				Federal				
\$ 3,256	\$ 3,256	\$ -	\$ 3,342	\$ 14,722	\$ 14,722	\$ -	\$ 16,442	
61,175	61,175	-	61,783	276,517	276,517	-	275,944	
9,176	9,176	-	9,268	41,477	41,477	-	41,392	
7,887	7,887	-	8,340	35,665	35,665	-	37,253	
297	307	10	283	1,485	1,508	23	1,333	
<b>\$ 81,791</b>	<b>\$ 81,801</b>	<b>\$ 10</b>	<b>\$ 83,016</b>	<b>\$ 369,866</b>	<b>\$ 369,889</b>	<b>\$ 23</b>	<b>\$ 372,364</b>	
				<b>TOTAL OPERATING SUBSIDIES</b>				
				<b>SURPLUS/(DEFICIT) AFTER SUBSIDIES</b>				
<b>\$ -</b>	<b>\$ 234</b>	<b>\$ 234</b>	<b>\$ 2,201</b>	<b>\$ -</b>	<b>\$ 5,956</b>	<b>\$ 5,956</b>	<b>\$ 5,159</b>	
				<b>Unrealized Investment Gain/(Loss)</b>				
				-	(206)	(206)	(342)	
<b>\$ -</b>	<b>\$ 523</b>	<b>\$ 523</b>	<b>\$ 1,878</b>	<b>\$ -</b>	<b>\$ 5,750</b>	<b>\$ 5,750</b>	<b>\$ 4,817</b>	
				<b>SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)</b>				

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**REVENUE PERFORMANCE**  
FY 2019 Actual vs. FY 2018 Actual

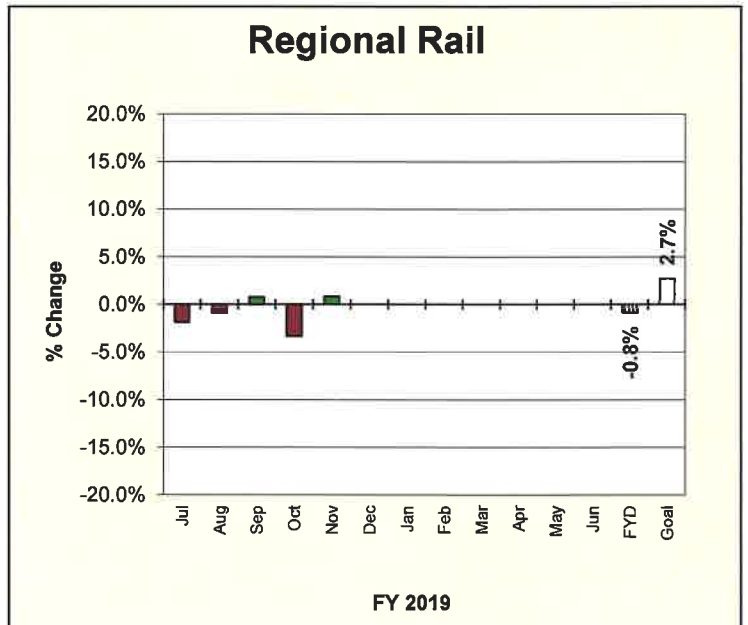
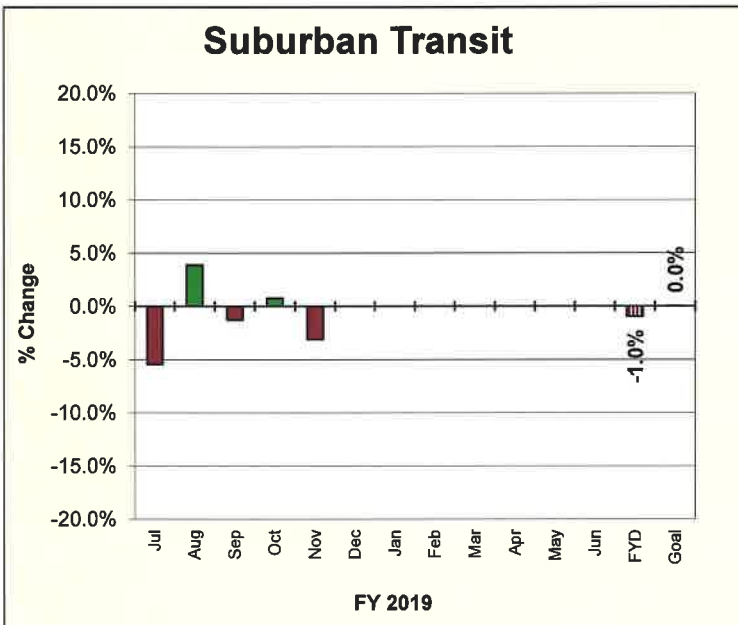
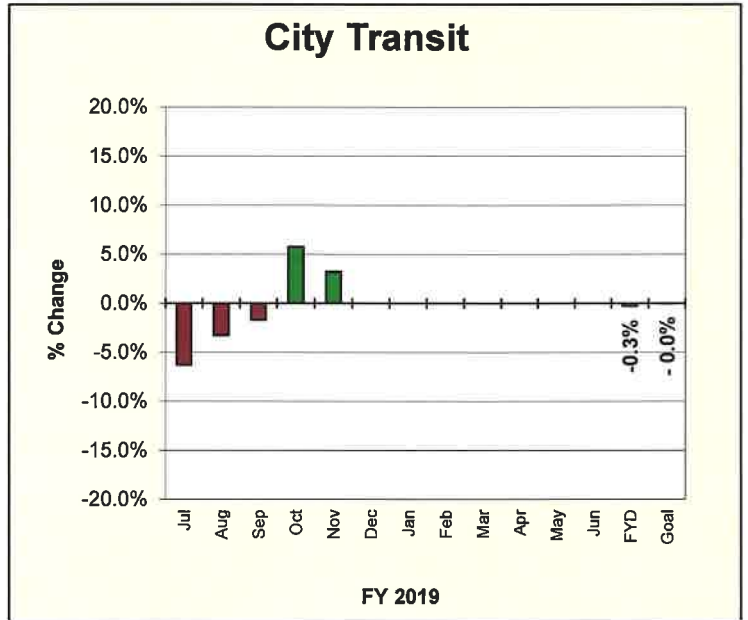
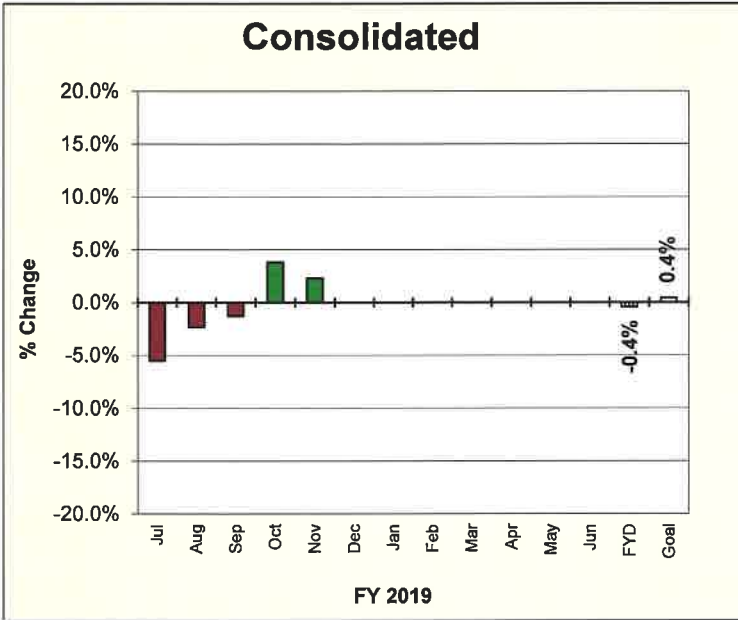


Note: Above comparisons for July were impacted slightly by one less day in the July 2018 fiscal month versus July 2017.

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**

**RIDERSHIP PERFORMANCE**

FY 2019 Actual vs. FY 2018 Actual



Note: Above comparisons for July were impacted slightly by one less day in the July 2018 fiscal month versus July 2017.