

*SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY*

**A G E N D A**

**REGULAR MEETING**

**To Be Held At 3:00 PM**

**JUNE 25, 2020**

**1234 Market Street, Mezzanine Level**

**Philadelphia, PA**

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1. Approval of Minutes of the Regular Board Meeting of May 28, 2020

2. Financial Report

3. Resolutions

**I. Budget, Planning & Information Technology Committee Review**

A. The Capital Budget for Fiscal Year 2021; the Twelve-Year Capital Program and Comprehensive Plan; and Commitment of Local Funds for the Fiscal Year 2021 Consolidated Capital Assistance Grant Application

B. Adoption of the Operating Budget for Fiscal Year 2021 and Fiscal Years 2022-2026 Financial Projections

C. Tariff Changes for Fare Restructuring Associated with the Adoption of the Proposed Fiscal Year 2021 Operating Budget

**II. Pension Committee Review**

A. Termination of J.P. Morgan Real Estate Fund and Gresham Commodities Fund as Investment Managers of the SEPTA Pension Plan

**III. Administration Committee Review**

A. Authorization for Entering into Contracts for the Purchase of Life Insurance with MetLife and Long Term Disability Insurance with Mutual of Omaha

B. Authorization for the Purchase of Dental Insurance with United Concordia Dental

**Agenda**  
**June 25, 2020**

C. Renewal of Blanket Railroad Protective Liability Insurance with Aspen Insurance Company

**IV. Operations Committee Review**

A. Reimbursement Agreement between SEPTA and the Pennsylvania Department of Transportation Relating to the Reconstruction of the Girard Avenue Bridge in Philadelphia County

B. Authorization to Award Contract for a Procurement

C. Award of Contracts for Sole Source Procurements

D. Authorization to Execute Change Orders

4. Report of General Manager

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**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**

**FINANCIAL REPORT**

**MAY 2020**

**For Period Ended May 30, 2020**

**June 16, 2020**

## FINANCIAL REPORT - MAY 2020

### 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 - MAY 2020**

**COMMENTARY**

Summary of Financial Results and Commentary

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**  
**MAY 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 May and the eleven-month period then ended. The results are compared to the Fiscal Year 2020 budget and to the prior year results in the accompanying financial statements.

<b>DIVISION</b>	<b>(IN THOUSANDS)</b>			
	<b>MONTH OF MAY</b>		<b>ELEVEN MONTHS ENDED MAY</b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
City Transit	\$ (64,472)	\$ (51,073)	\$ (578,474)	\$ (529,959)
Victory	(7,532)	(6,519)	(71,848)	(68,442)
Frontier	(2,715)	(2,431)	(26,619)	(25,258)
Regional Rail	(28,331)	(24,613)	(231,761)	(198,219)
Total Deficit Before Subsidies	(103,050)	(84,636)	(908,702)	(821,878)
Operating Subsidies	81,199	82,338	853,745	823,621
Surplus/(Deficit) After Subsidies	(21,851)	(2,298)	(54,957)	1,743
Unrealized Investment Gain/(Loss)	(73)	523	1,164	843
Surplus/(Deficit) after Investment Gain/(Loss)	<u>\$ (21,924)</u>	<u>\$ (1,775)</u>	<u>\$ (53,793)</u>	<u>\$ 2,586</u>

The deficit after subsidies for the month of May was \$21.9 million and the cumulative deficit for the eleven months was \$55.0 million. Passenger revenue for the month was \$40.8 million (or 89.9%) lower than budget. Passenger revenue for the eleven months of Fiscal 2020 was \$91.1 million (or 21.2%) lower than budget. Shared Ride Program revenue was \$1.2 million lower than budget for the month of May and was \$2.3 million (or 15.8%) lower than budget for May year-to-date. Operating expenses for the month of May were \$10.4 million lower than budget. For the eleven-month period, operating expenses were \$34.9 million (or 2.6%) lower than budget. State and local subsidies show a variance of \$10.9

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

million for May and \$23.6 million year-to date. On March 27, 2020, the U.S. Congress passed and the President signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides emergency assistance and health care response for individuals, families and businesses affected by the COVID-19 pandemic. The Authority is eligible to receive \$644 million in CARES Act funding, a portion of which will offset a reduction in state and local subsidies from the Service Stabilization Fund. The CARES Act Grant was awarded by the Federal Transit Administration on June 3, 2020, after the close of the May fiscal month.

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

**CITY TRANSIT DIVISION**

The Division's operations for May resulted in a deficit before subsidies of \$64.5 million for the month and a year-to-date deficit before subsidies of \$578.5 million, which is (5.9%) higher than budget.

Passenger revenue for the month of May was \$25.4 million (or 87.3%) lower than budget, and for the eleven months of Fiscal 2020 was \$60.2 million (or 22.4%) lower than budget. Shared Ride Program revenue for May year-to-date was \$2.3 million (or 15.8%) lower than budget. Operating expenses for the eleven-month period were lower than budget.

For the eleven months of the fiscal year, the operating deficit after subsidies was \$37.2 million.

**VICTORY DIVISION**

The Division's operations for May resulted in a deficit before subsidies of \$7.5 million bringing the cumulative deficit before subsidies for the eleven months of the fiscal year to \$71.8 million, which is (2.3%) higher than budget.

Passenger revenue for May was \$2.2 million (or 86.3%) lower than budget, and for the eleven months of Fiscal 2020 was \$4.6 million (or 19.6%) lower than budget. Operating expenses for the eleven-month period were lower than budget.

For the eleven months of the fiscal year, the operating deficit after subsidies was \$4.8 million.

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

**FRONTIER DIVISION**

Operations for the month of May resulted in a deficit before subsidies of \$2.7 million bringing the cumulative deficit before subsidies for the eleven months of the fiscal year to \$26.6 million, which is (2.5%) higher than budget.

Passenger revenue for May was \$580 thousand (or 88.7%) lower than budget, and for the eleven months of Fiscal 2020 was \$1.4 million (or 22.6%) lower than budget. Operating expenses for the eleven-month period were lower than budget.

For the eleven months of the fiscal year, the operating deficit after subsidies was \$1.8 million.

**REGIONAL RAIL DIVISION**

Operations for the month of May resulted in a deficit before subsidies of \$28.3 million bringing the cumulative deficit before subsidies for the eleven-month period to \$231.8 million, which is (13.1%) higher than budget.

May passenger revenue was \$12.6 million (or 96.6%) lower than budget, and for the eleven months of Fiscal 2020 passenger revenue was \$24.8 million (or 19.0%) lower than budget. Operating expenses for the eleven-month period were slightly higher than budget.

For the eleven months of the fiscal year, the operating deficit after subsidies was \$11.1 million.



## **FINANCIAL REPORT - MAY 2020**

### **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  
ELEVEN MONTHS ENDED MAY 30, 2020

(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	\$ 209,002	\$ 18,944	\$ 4,741	\$ 106,236	\$ 338,923	\$ 430,007	\$ (91,084)	(21.18)
Other Operating Revenue	<u>22,042</u>	<u>2,679</u>	<u>733</u>	<u>12,211</u>	<u>37,665</u>	<u>40,651</u>	<u>(2,986)</u>	<u>(7.35)</u>
Sub-Total - Operating Revenue	231,044	21,623	5,474	118,447	376,588	470,658	(94,070)	(19.99)
Shared Ride Program	<u>12,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,254</u>	<u>14,556</u>	<u>(2,302)</u>	<u>(15.81)</u>
TOTAL REVENUE AVAILABLE FOR OPERATIONS	243,298	21,623	5,474	118,447	388,842	485,214	(96,372)	(19.86)
<b><u>OPERATING EXPENSES</u></b>	<u>821,772</u>	<u>93,471</u>	<u>32,093</u>	<u>350,208</u>	<u>1,297,544</u>	<u>1,332,479</u>	<u>34,935</u>	<u>2.62</u>
DEFICIT BEFORE SUBSIDIES	(578,474)	(71,848)	(26,619)	(231,761)	(908,702)	(847,265)	(61,437)	(7.25)
OPERATING SUBSIDIES	<u>541,251</u>	<u>67,007</u>	<u>24,864</u>	<u>220,623</u>	<u>853,745</u>	<u>847,265</u>	<u>6,480</u>	<u>0.76</u>
DEFICIT AFTER SUBSIDIES	\$ (37,223)	\$ (4,841)	\$ (1,755)	\$ (11,138)	\$ (54,957)	\$ -	\$ (54,957)	
Unrealized Investment Gain/(Loss)	<u>516</u>	<u>26</u>	<u>5</u>	<u>617</u>	<u>1,164</u>	<u>-</u>	<u>1,164</u>	
<b><u>DEFICIT AFTER INVESTMENT GAIN/(LOSS)</u></b>	<u>\$ (36,707)</u>	<u>\$ (4,815)</u>	<u>\$ (1,750)</u>	<u>\$ (10,521)</u>	<u>\$ (53,793)</u>	<u>\$ -</u>	<u>\$ (53,793)</u>	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES  
ELEVEN MONTHS ENDED MAY 30, 2020

	(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	\$ 269,237	\$ 209,002	\$ 23,575	\$ 18,944	\$ 6,124	\$ 4,741	\$ 131,071	\$ 106,236	\$ 430,007	\$ 338,923
Shared Ride Program	14,556	12,254	-	-	-	-	-	-	14,556	12,254
Investment Income	1,724	1,414	81	57	24	16	1,520	1,351	3,349	2,838
Other Income	21,204	20,628	2,683	2,622	824	717	12,591	10,860	37,302	34,827
<b>TOTAL OPERATING REVENUE</b>	<b>306,721</b>	<b>243,298</b>	<b>26,339</b>	<b>21,623</b>	<b>6,972</b>	<b>5,474</b>	<b>145,182</b>	<b>118,447</b>	<b>485,214</b>	<b>388,842</b>
<b>OPERATING EXPENSES</b>										
Labor, including Paid Absences	407,618	383,377	46,622	44,942	17,583	17,198	136,711	138,421	608,534	583,938
Fringe Benefits	253,445	240,987	24,718	23,984	8,358	8,408	72,229	69,393	358,750	342,772
Material & Services	148,166	137,258	19,502	16,879	4,273	3,749	113,469	108,510	285,410	266,396
Injuries & Damages	16,560	14,283	820	3,117	293	627	4,189	11,817	21,862	29,844
Propulsion Power	11,067	9,023	1,151	1,036	-	-	14,830	13,747	27,048	23,806
Fixed Rent	3,566	5,502	174	237	55	75	1,996	2,095	5,791	7,909
Fuel	21,309	18,150	3,397	3,065	2,323	1,987	576	385	27,605	23,587
Depreciation	14,699	13,192	220	211	50	49	6,145	5,840	21,114	19,292
Budget Reduction	(23,635)	-	-	-	-	-	-	-	(23,635)	-
<b>TOTAL OPERATING EXPENSES</b>	<b>852,795</b>	<b>821,772</b>	<b>96,604</b>	<b>93,471</b>	<b>32,935</b>	<b>32,093</b>	<b>350,145</b>	<b>350,208</b>	<b>1,332,479</b>	<b>1,297,544</b>
<b>DEFICIT BEFORE SUBSIDIES</b>	<b>(546,074)</b>	<b>(578,474)</b>	<b>(70,265)</b>	<b>(71,848)</b>	<b>(25,963)</b>	<b>(26,619)</b>	<b>(204,963)</b>	<b>(231,761)</b>	<b>(847,265)</b>	<b>(908,702)</b>
<b>OPERATING SUBSIDIES</b>										
Federal	23,194	22,657	2,945	2,897	1,065	1,050	6,066	6,666	33,270	33,270
State	452,617	428,056	58,444	55,663	21,119	20,176	120,341	128,076	652,521	631,971
Local	67,893	64,208	8,767	8,349	3,168	3,026	18,051	19,211	97,879	94,794
Lease Cost/Debt Service	24,784	25,075	109	98	28	25	58,987	65,067	83,908	90,265
Other-Route Guarantees	1,221	1,255	-	-	583	587	1,518	1,603	3,322	3,445
State and Local Budget Reduction	(23,635)	-	-	-	-	-	-	-	(23,635)	-
<b>TOTAL SUBSIDIES</b>	<b>546,074</b>	<b>541,251</b>	<b>70,265</b>	<b>67,007</b>	<b>25,963</b>	<b>24,864</b>	<b>204,963</b>	<b>220,623</b>	<b>847,265</b>	<b>853,745</b>
<b>DEFICIT AFTER SUBSIDIES</b>	<b>\$ -</b>	<b>\$ (37,223)</b>	<b>\$ -</b>	<b>\$ (4,841)</b>	<b>\$ -</b>	<b>\$ (1,755)</b>	<b>\$ -</b>	<b>\$ (11,138)</b>	<b>\$ -</b>	<b>\$ (54,957)</b>
Unrealized Investment Gain/(Loss)	-	516	-	26	-	5	-	617	-	1,164
<b>DEFICIT AFTER INVESTMENT GAIN/(LOSS)</b>	<b>\$ -</b>	<b>\$ (36,707)</b>	<b>\$ -</b>	<b>\$ (4,815)</b>	<b>\$ -</b>	<b>\$ (1,750)</b>	<b>\$ -</b>	<b>\$ (10,521)</b>	<b>\$ -</b>	<b>\$ (53,793)</b>

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF INCOME  
ONE MONTH ENDED MAY 30, 2020

(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	\$ 3,699	\$ 343	\$ 74	\$ 445	\$ 4,561	\$ 45,355	\$ (40,794)	(89.94)
Other Operating Revenue	<u>1,148</u>	<u>170</u>	<u>24</u>	<u>562</u>	<u>1,904</u>	<u>3,950</u>	<u>(2,046)</u>	<u>(51.80)</u>
Sub-Total - Operating Revenue	4,847	513	98	1,007	6,465	49,305	(42,840)	(86.89)
Shared Ride Program	<u>336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>336</u>	<u>1,512</u>	<u>(1,176)</u>	<u>(77.78)</u>
TOTAL REVENUE AVAILABLE FOR OPERATIONS	5,183	513	98	1,007	6,801	50,817	(44,016)	(86.62)
<b><u>OPERATING EXPENSES</u></b>	<u>69,655</u>	<u>8,045</u>	<u>2,813</u>	<u>29,338</u>	<u>109,851</u>	<u>120,216</u>	<u>10,365</u>	8.62
DEFICIT BEFORE SUBSIDIES	(64,472)	(7,532)	(2,715)	(28,331)	(103,050)	(69,399)	(33,651)	(48.49)
OPERATING SUBSIDIES	<u>49,681</u>	<u>5,629</u>	<u>2,028</u>	<u>23,861</u>	<u>81,199</u>	<u>69,399</u>	<u>11,800</u>	17.00
DEFICIT AFTER SUBSIDIES	\$ (14,791)	\$ (1,903)	\$ (687)	\$ (4,470)	\$ (21,851)	\$ -	\$ (21,851)	
Unrealized Investment Gain/(Loss)	<u>(13)</u>	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>(73)</u>	<u>-</u>	<u>(73)</u>	
<b><u>DEFICIT AFTER INVESTMENT GAIN/(LOSS)</u></b>	<u>\$ (14,804)</u>	<u>\$ (1,903)</u>	<u>\$ (687)</u>	<u>\$ (4,530)</u>	<u>\$ (21,924)</u>	<u>\$ -</u>	<u>\$ (21,924)</u>	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES  
ONE MONTH ENDED MAY 30, 2020

	(THOUSANDS)									
	CITY TRANSIT DIVISION		VICTORY DIVISION		FRONTIER DIVISION		REGIONAL RAIL DIVISION		TOTAL SEPTA	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b><u>OPERATING REVENUES</u></b>										
Passenger Revenue	\$ 29,112	\$ 3,699	\$ 2,498	343	654	\$ 74	\$ 13,091	\$ 445	\$ 45,355	\$ 4,561
Shared Ride Program	1,512	336	-	-	-	-	-	-	1,512	336
Investment Income	168	(11)	8	(5)	3	(2)	167	76	346	58
Other Income	2,054	1,159	262	175	78	26	1,210	486	3,604	1,846
<b>TOTAL OPERATING REVENUE</b>	<b>32,846</b>	<b>5,183</b>	<b>2,768</b>	<b>513</b>	<b>735</b>	<b>98</b>	<b>14,468</b>	<b>1,007</b>	<b>50,817</b>	<b>6,801</b>
<b><u>OPERATING EXPENSES</u></b>										
Labor, including Paid Absences	43,198	35,983	4,960	3,789	1,849	1,587	14,252	11,554	64,259	52,913
Fringe Benefits	24,434	19,116	2,400	2,233	813	631	7,307	5,028	34,954	27,008
Material & Services	16,014	9,645	1,883	938	448	276	12,377	8,469	30,722	19,328
Injuries & Damages	1,724	1,100	85	716	30	124	407	2,499	2,246	4,439
Propulsion Power	935	529	100	61	-	-	1,337	913	2,372	1,503
Fixed Rent	264	566	13	34	4	10	175	221	456	831
Fuel	2,225	1,498	375	254	256	180	60	54	2,916	1,986
Depreciation	1,343	1,218	20	20	4	5	559	600	1,926	1,843
Budget Reduction	(19,635)	-	-	-	-	-	-	-	(19,635)	-
<b>TOTAL OPERATING EXPENSES</b>	<b>70,502</b>	<b>69,655</b>	<b>9,836</b>	<b>8,045</b>	<b>3,404</b>	<b>2,813</b>	<b>36,474</b>	<b>29,338</b>	<b>120,216</b>	<b>109,851</b>
<b><u>DEFICIT BEFORE SUBSIDIES</u></b>	<b>(37,656)</b>	<b>(64,472)</b>	<b>(7,068)</b>	<b>(7,532)</b>	<b>(2,669)</b>	<b>(2,715)</b>	<b>(22,006)</b>	<b>(28,331)</b>	<b>(69,399)</b>	<b>(103,050)</b>
<b><u>OPERATING SUBSIDIES</u></b>										
Federal	2,332	2,310	295	276	110	97	665	719	3,402	3,402
State	45,491	38,648	5,879	4,652	2,176	1,633	13,193	12,330	66,739	57,263
Local	6,824	5,797	882	697	327	245	1,979	1,849	10,012	8,588
Lease Cost/Debt Service	2,533	2,815	12	4	3	-	6,031	8,925	8,579	11,744
Other-Route Guarantees	111	111	-	-	53	53	138	38	302	202
State and Local Budget Reduction	(19,635)	-	-	-	-	-	-	-	(19,635)	-
<b>TOTAL SUBSIDIES</b>	<b>37,656</b>	<b>49,681</b>	<b>7,068</b>	<b>5,629</b>	<b>2,669</b>	<b>2,028</b>	<b>22,006</b>	<b>23,861</b>	<b>69,399</b>	<b>81,199</b>
<b><u>DEFICIT AFTER SUBSIDIES</u></b>	<b>\$ -</b>	<b>\$ (14,791)</b>	<b>\$ -</b>	<b>\$ (1,903)</b>	<b>\$ -</b>	<b>\$ (687)</b>	<b>\$ -</b>	<b>\$ (4,470)</b>	<b>\$ -</b>	<b>\$ (21,851)</b>
Unrealized Investment Gain/(Loss)	-	(13)	-	-	-	-	-	(60)	-	(73)
<b><u>DEFICIT AFTER INVESTMENT GAIN/(LOSS)</u></b>	<b>\$ -</b>	<b>\$ (14,804)</b>	<b>\$ -</b>	<b>\$ (1,903)</b>	<b>\$ -</b>	<b>\$ (687)</b>	<b>\$ -</b>	<b>\$ (4,530)</b>	<b>\$ -</b>	<b>\$ (21,924)</b>

**FINANCIAL REPORT - MAY 2020**

**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 MAY 30, 2020

(THOUSANDS)

ONE MONTH ENDED MAY 30, 2020					ELEVEN MONTHS ENDED MAY 30, 2020					
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>						<u>OPERATING REVENUES</u>				
\$ 29,112	\$ 3,699	(87.29)	\$ 28,084	(86.83)	Passenger Revenue	\$ 269,237	\$ 209,002	(22.37)	\$ 264,965	(21.12)
2,222	1,148	(48.33)	1,978	(41.96)	Other Operating Revenue	22,928	22,042	(3.86)	23,442	(5.97)
31,334	4,847	(84.53)	30,062	(83.88)	Sub-Total - Operating Revenue	292,165	231,044	(20.92)	288,407	(19.89)
1,512	336	(77.78)	1,571	(78.61)	Shared Ride Program	14,556	12,254	(15.81)	14,690	(16.58)
32,846	5,183	(84.22)	31,633	(83.62)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	306,721	243,298	(20.68)	303,097	(19.73)
70,502	69,655	1.20	82,706	15.78	OPERATING EXPENSES	852,795	821,772	3.64	833,056	1.35
(37,656)	(64,472)	(71.21)	(51,073)	(26.23)	DEFICIT BEFORE SUBSIDIES	(546,074)	(578,474)	(5.93)	(529,959)	(9.15)
37,656	49,681	31.93	49,478	0.41	OPERATING SUBSIDIES	546,074	541,251	(0.88)	531,153	1.90
-	(14,791)		(1,595)		SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(37,223)		1,194	
-	(13)		272		Unrealized Investment Gain/(Loss)	-	516		528	
\$ -	\$ (14,804)		\$ (1,323)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (36,707)		\$ 1,722	
6,161	3,499	(43.21)	6,000	(41.68)	TOTAL VEHICLE MILES	58,630	52,680	(10.15)	58,254	(9.57)
494	120	(75.71)	453	(73.51)	SHARED RIDE PROGRAM IN ABOVE	4,733	3,658	(22.71)	4,302	(14.97)
16,093	2,165	(86.55)	15,656	(86.17)	REVENUE PASSENGER JOURNEYS	148,531	116,501	(21.56)	145,931	(20.17)
56	12	(78.57)	58	(79.31)	SHARED RIDE PROGRAM IN ABOVE	540	454	(15.93)	544	(16.54)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CITY TRANSIT DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED MAY 30, 2020

(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	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 28,084	\$ (24,385)	(86.83)	Passenger Revenue	\$ 29,112	\$ 3,699	\$ (25,413)	(87.29)
80	(91)	-	Investment Income	168	(11)	(179)	-
1,898	(739)	(38.94)	Other Income	2,054	1,159	(895)	(43.57)
30,062	(25,215)	(83.88)	SUB-TOTAL	31,334	4,847	(26,487)	(84.53)
1,571	(1,235)	(78.61)	Shared Ride Program	1,512	336	(1,176)	(77.78)
31,633	(26,450)	(83.62)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	32,846	5,183	(27,663)	(84.22)
			<u>OPERATING EXPENSES</u>				
64,559	9,460	14.65	Labor & Fringe Benefits	67,632	55,099	12,533	18.53
14,583	4,938	33.86	Material & Services	16,014	9,645	6,369	39.77
(1,089)	(2,189)	-	Injuries & Damages	1,724	1,100	624	36.19
793	264	33.29	Propulsion Power	935	529	406	43.42
560	(6)	(1.07)	Fixed Rent	264	566	(302)	-
2,109	611	28.97	Fuel	2,225	1,498	727	32.67
1,191	(27)	(2.27)	Depreciation	1,343	1,218	125	9.31
-	-	-	Budget Reduction	(19,635)	-	(19,635)	-
82,706	13,051	15.78	TOTAL OPERATING EXPENSES	70,502	69,655	847	1.20
(51,073)	(13,399)	(26.23)	DEFICIT BEFORE SUBSIDIES	(37,656)	(64,472)	(26,816)	(71.21)
			<u>OPERATING SUBSIDIES</u>				
2,220	90	4.05	Federal	2,332	2,310	(22)	(0.94)
38,433	215	0.56	State	45,491	38,648	(6,843)	(15.04)
5,764	33	0.57	Local	6,824	5,797	(1,027)	(15.05)
2,949	(134)	(4.54)	Lease Cost/Debt Service	2,533	2,815	282	11.13
112	(1)	(0.89)	Other - Route Guarantees	111	111	-	-
-	-	-	State and Local Budget Reduction	(19,635)	-	19,635	-
49,478	203	0.41	TOTAL OPERATING SUBSIDIES	37,656	49,681	12,025	31.93
(1,595)	(13,196)	-	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(14,791)	(14,791)	-
272	(285)		Unrealized Investment Gain/(Loss)	-	(13)	(13)	
\$ (1,323)	\$ (13,481)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (14,804)	\$ (14,804)	



SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
CITY TRANSIT DIVISION  
DETAIL INCOME STATEMENT  
ELEVEN MONTHS ENDED MAY 30, 2020

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL			THIS YEAR		THIS YEAR ACTUAL	
	BETTER (WORSE) LAST YEAR AMOUNT	%		BUDGET AMOUNT	ACTUAL AMOUNT	BETTER (WORSE) BUDGET AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 264,965	\$ (55,963)	(21.12)	Passenger Revenue	\$ 269,237	\$ 209,002	\$ (60,235)	(22.37)
1,631	(217)	(13.30)	Investment Income	1,724	1,414	(310)	(17.98)
21,811	(1,183)	(5.42)	Other Income	21,204	20,628	(576)	(2.72)
288,407	(57,363)	(19.89)	SUB-TOTAL	292,165	231,044	(61,121)	(20.92)
14,690	(2,436)	(16.58)	Shared Ride Program	14,556	12,254	(2,302)	(15.81)
303,097	(59,799)	(19.73)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	306,721	243,298	(63,423)	(20.68)
			<u>OPERATING EXPENSES</u>				
628,169	3,805	0.61	Labor & Fringe Benefits	661,063	624,364	36,699	5.55
144,198	6,940	4.81	Material & Services	148,166	137,258	10,908	7.36
13,325	(958)	(7.19)	Injuries & Damages	16,560	14,283	2,277	13.75
10,242	1,219	11.90	Propulsion Power	11,067	9,023	2,044	18.47
4,428	(1,074)	(24.25)	Fixed Rent	3,566	5,502	(1,936)	(54.29)
19,672	1,522	7.74	Fuel	21,309	18,150	3,159	14.82
13,022	(170)	(1.31)	Depreciation	14,699	13,192	1,507	10.25
-	-	-	Budget Reduction	(23,635)	-	(23,635)	-
833,056	11,284	1.35	TOTAL OPERATING EXPENSES	852,795	821,772	31,023	3.64
(529,959)	(48,515)	(9.15)	DEFICIT BEFORE SUBSIDIES	(546,074)	(578,474)	(32,400)	(5.93)
			<u>OPERATING SUBSIDIES</u>				
23,248	(591)	(2.54)	Federal	23,194	22,657	(537)	(2.32)
417,851	10,205	2.44	State	452,617	428,056	(24,561)	(5.43)
62,678	1,530	2.44	Local	67,893	64,208	(3,685)	(5.43)
26,171	(1,096)	(4.19)	Lease Cost/Debt Service	24,784	25,075	291	1.17
1,205	50	4.15	Other - Route Guarantees	1,221	1,255	34	2.78
-	-	-	State and Local Budget Reduction	(23,635)	-	23,635	-
531,153	10,098	1.90	TOTAL OPERATING SUBSIDIES	546,074	541,251	(4,823)	(0.88)
1,194	(38,417)	-	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(37,223)	(37,223)	-
528	(12)		Unrealized Investment Gain/(Loss)	-	516	516	
\$ 1,722	\$ (38,429)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (36,707)	\$ (36,707)	

**FINANCIAL REPORT - MAY 2020**

**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 MAY 30, 2020

(THOUSANDS)

ONE MONTH ENDED MAY 30, 2020					ELEVEN MONTHS ENDED MAY 30, 2020					
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>					
\$ 2,498	\$ 343	(86.27)	\$ 2,393	(85.67)	Passenger Revenue	\$ 23,575	\$ 18,944	(19.64)	\$ 23,149	(18.16)
270	170	(37.04)	226	(24.78)	Other Operating Revenue	2,764	2,679	(3.08)	2,726	(1.72)
<u>2,768</u>	<u>513</u>	<u>(81.47)</u>	<u>2,619</u>	<u>(80.41)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>26,339</u>	<u>21,623</u>	<u>(17.91)</u>	<u>25,875</u>	<u>(16.43)</u>
<u>9,836</u>	<u>8,045</u>	<u>18.21</u>	<u>9,138</u>	<u>11.96</u>	OPERATING EXPENSES	<u>96,604</u>	<u>93,471</u>	<u>3.24</u>	<u>94,317</u>	<u>0.90</u>
<u>(7,068)</u>	<u>(7,532)</u>	<u>(6.56)</u>	<u>(6,519)</u>	<u>(15.54)</u>	DEFICIT BEFORE SUBSIDIES	<u>(70,265)</u>	<u>(71,848)</u>	<u>(2.25)</u>	<u>(68,442)</u>	<u>(4.98)</u>
<u>7,068</u>	<u>5,629</u>	<u>(20.36)</u>	<u>6,302</u>	<u>(10.68)</u>	OPERATING SUBSIDIES	<u>70,265</u>	<u>67,007</u>	<u>(4.64)</u>	<u>68,604</u>	<u>(2.33)</u>
<u>-</u>	<u>(1,903)</u>		<u>(217)</u>		SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>(4,841)</u>		<u>162</u>	
<u>-</u>	<u>-</u>		<u>18</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>26</u>		<u>31</u>	
<u>\$ -</u>	<u>\$ (1,903)</u>		<u>\$ (199)</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ (4,815)</u>		<u>\$ 193</u>	
1,100	531	(51.73)	1,123	(52.72)	TOTAL VEHICLE MILES	10,613	9,395	(11.48)	10,604	(11.40)
1,304	219	(83.21)	1,270	(82.76)	REVENUE PASSENGER JOURNEYS	12,279	9,862	(19.68)	11,986	(17.72)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
VICTORY DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED MAY 30, 2020

(THOUSANDS)

<u>LAST YEAR</u>	<u>THIS YEAR ACTUAL</u>			<u>THIS YEAR</u>		<u>THIS YEAR ACTUAL</u>	
<u>AMOUNT</u>	<u>BETTER (WORSE) LAST YEAR</u>	<u>%</u>		<u>BUDGET</u>	<u>ACTUAL</u>	<u>BETTER (WORSE) BUDGET</u>	<u>%</u>
<u>AMOUNT</u>	<u>AMOUNT</u>	<u>%</u>		<u>AMOUNT</u>	<u>AMOUNT</u>	<u>AMOUNT</u>	<u>%</u>
			<u>OPERATING REVENUES</u>				
\$ 2,393	\$ (2,050)	(85.67)	Passenger Revenue	\$ 2,498	\$ 343	\$ (2,155)	(86.27)
1	(6)	-	Investment Income	8	(5)	(13)	-
225	(50)	(22.22)	Other Income	262	175	(87)	(33.21)
<u>2,619</u>	<u>(2,106)</u>	<u>(80.41)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>2,768</u>	<u>513</u>	<u>(2,255)</u>	<u>(81.47)</u>
			<u>OPERATING EXPENSES</u>				
6,921	899	12.99	Labor & Fringe Benefits	7,360	6,022	1,338	18.18
1,787	849	47.51	Material & Services	1,883	938	945	50.19
(55)	(771)	-	Injuries & Damages	85	716	(631)	-
96	35	36.46	Propulsion Power	100	61	39	39.00
12	(22)	-	Fixed Rent	13	34	(21)	-
358	104	29.05	Fuel	375	254	121	32.27
19	(1)	(5.26)	Depreciation	20	20	-	-
<u>9,138</u>	<u>1,093</u>	<u>11.96</u>	TOTAL OPERATING EXPENSES	<u>9,836</u>	<u>8,045</u>	<u>1,791</u>	<u>18.21</u>
<u>(6,519)</u>	<u>(1,013)</u>	<u>(15.54)</u>	DEFICIT BEFORE SUBSIDIES	<u>(7,068)</u>	<u>(7,532)</u>	<u>(464)</u>	<u>(6.56)</u>
			<u>OPERATING SUBSIDIES</u>				
293	(17)	(5.80)	Federal	295	276	(19)	(6.44)
5,205	(553)	(10.62)	State	5,879	4,652	(1,227)	(20.87)
780	(83)	(10.64)	Local	882	697	(185)	(20.98)
24	(20)	(83.33)	Lease Cost/Debt Service	12	4	(8)	(66.67)
-	-	-	Other - Route Guarantees	-	-	-	-
<u>6,302</u>	<u>(673)</u>	<u>(10.68)</u>	TOTAL OPERATING SUBSIDIES	<u>7,068</u>	<u>5,629</u>	<u>(1,439)</u>	<u>(20.36)</u>
<u>(217)</u>	<u>(1,686)</u>	<u>-</u>	SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>(1,903)</u>	<u>(1,903)</u>	<u>-</u>
<u>18</u>	<u>(18)</u>	<u>-</u>	Unrealized Investment Gain/(Loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (199)</u>	<u>\$ (1,704)</u>	<u>-</u>	SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ (1,903)</u>	<u>\$ (1,903)</u>	<u>-</u>

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
VICTORY DIVISION  
DETAIL INCOME STATEMENT  
ELEVEN MONTHS ENDED MAY 30, 2020

(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>				
\$ 23,149	\$ (4,205)	(18.16)	Passenger Revenue	\$ 23,575	\$ 18,944	\$ (4,631)	(19.64)
69	(12)	(17.39)	Investment Income	81	57	(24)	(29.63)
2,657	(35)	(1.32)	Other Income	2,683	2,622	(61)	(2.27)
25,875	(4,252)	(16.43)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	26,339	21,623	(4,716)	(17.91)
			<u>OPERATING EXPENSES</u>				
70,236	1,310	1.87	Labor & Fringe Benefits	71,340	68,926	2,414	3.38
18,586	1,707	9.18	Material & Services	19,502	16,879	2,623	13.45
646	(2,471)	-	Injuries & Damages	820	3,117	(2,297)	-
1,169	133	11.38	Propulsion Power	1,151	1,036	115	9.99
171	(66)	(38.60)	Fixed Rent	174	237	(63)	(36.21)
3,305	240	7.26	Fuel	3,397	3,065	332	9.77
204	(7)	(3.43)	Depreciation	220	211	9	4.09
94,317	846	0.90	TOTAL OPERATING EXPENSES	96,604	93,471	3,133	3.24
(68,442)	(3,406)	(4.98)	DEFICIT BEFORE SUBSIDIES	(70,265)	(71,848)	(1,583)	(2.25)
			<u>OPERATING SUBSIDIES</u>				
3,085	(188)	(6.09)	Federal	2,945	2,897	(48)	(1.63)
56,849	(1,186)	(2.09)	State	58,444	55,663	(2,781)	(4.76)
8,527	(178)	(2.09)	Local	8,767	8,349	(418)	(4.77)
143	(45)	(31.47)	Lease Cost/Debt Service	109	98	(11)	(10.09)
-	-	-	Other - Route Guarantees	-	-	-	-
68,604	(1,597)	(2.33)	TOTAL OPERATING SUBSIDIES	70,265	67,007	(3,258)	(4.64)
162	(5,003)	-	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(4,841)	(4,841)	-
31	(5)		Unrealized Investment Gain/(Loss)	-	26	26	
\$ 193	\$ (5,008)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (4,815)	\$ (4,815)	

**FINANCIAL REPORT - MAY 2020**

**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 MAY 30, 2020

(THOUSANDS)

ONE MONTH ENDED MAY 30, 2020					ELEVEN MONTHS ENDED MAY 30, 2020				
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>				
\$ 654	\$ 74	(88.69)	\$ 599	(87.66)	\$ 6,124	\$ 4,741	(22.58)	\$ 5,939	(20.18)
81	24	(70.37)	64	(62.49)	848	733	(13.56)	705	3.97
<u>735</u>	<u>98</u>	<u>(86.67)</u>	<u>663</u>	<u>(85.23)</u>	<u>6,972</u>	<u>5,474</u>	<u>(21.49)</u>	<u>6,644</u>	<u>(17.62)</u>
<u>3,404</u>	<u>2,813</u>	<u>17.36</u>	<u>3,094</u>	<u>9.09</u>	<u>32,935</u>	<u>32,093</u>	<u>2.56</u>	<u>31,902</u>	<u>(0.60)</u>
(2,669)	(2,715)	(1.72)	(2,431)	(11.68)	(25,963)	(26,619)	(2.53)	(25,258)	(5.39)
<u>2,669</u>	<u>2,028</u>	<u>(24.02)</u>	<u>2,353</u>	<u>(13.82)</u>	<u>25,963</u>	<u>24,864</u>	<u>(4.23)</u>	<u>25,317</u>	<u>(1.79)</u>
<u>-</u>	<u>(687)</u>		<u>(78)</u>		<u>-</u>	<u>(1,755)</u>		<u>59</u>	
<u>-</u>	<u>-</u>		<u>5</u>		<u>-</u>	<u>5</u>		<u>8</u>	
<u>\$ -</u>	<u>\$ (687)</u>		<u>\$ (73)</u>		<u>\$ -</u>	<u>\$ (1,750)</u>		<u>\$ 67</u>	
520	336	(35.38)	535	(37.20)	5,128	4,713	(8.09)	5,152	(8.52)
326	44	(86.50)	307	(85.67)	3,054	2,391	(21.71)	2,990	(20.03)

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
FRONTIER DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED MAY 30, 2020

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		BUDGET AMOUNT	ACTUAL AMOUNT	AMOUNT	%
\$ 599	\$ (525)	(87.66)	<u>OPERATING REVENUES</u>				
1	(3)	-	Passenger Revenue	\$ 654	\$ 74	\$ (580)	(88.69)
63	(37)	(58.74)	Investment Income	3	(2)	(5)	-
663	(565)	(85.23)	Other Income	78	26	(52)	(66.67)
			TOTAL REVENUE AVAILABLE FOR OPERATIONS	735	98	(637)	(86.67)
			<u>OPERATING EXPENSES</u>				
2,498	280	11.22	Labor & Fringe Benefits	2,662	2,218	444	16.68
381	105	27.56	Material & Services	448	276	172	38.39
(16)	(140)	-	Injuries & Damages	30	124	(94)	-
3	(7)	-	Fixed Rent	4	10	(6)	-
224	44	19.64	Fuel	256	180	76	29.69
4	(1)	(25.00)	Depreciation	4	5	(1)	(25.00)
3,094	281	9.09	TOTAL OPERATING EXPENSES	3,404	2,813	591	17.36
(2,431)	(284)	(11.68)	DEFICIT BEFORE SUBSIDIES	(2,669)	(2,715)	(46)	(1.72)
			<u>OPERATING SUBSIDIES</u>				
106	(9)	(8.58)	Federal	110	97	(13)	(11.82)
1,902	(269)	(14.16)	State	2,176	1,633	(543)	(24.95)
286	(41)	(14.28)	Local	327	245	(82)	(25.08)
6	(6)	-	Lease Cost/Debt Service	3	-	(3)	-
53	-	-	Other - Route Guarantees	53	53	-	-
2,353	(325)	(13.82)	TOTAL OPERATING SUBSIDIES	2,669	2,028	(641)	(24.02)
(78)	(609)	-	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(687)	(687)	-
5	(5)	-	Unrealized Investment Gain/(Loss)	-	-	-	-
\$ (73)	\$ (614)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (687)	\$ (687)	



SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
FRONTIER DIVISION  
DETAIL INCOME STATEMENT  
ELEVEN MONTHS ENDED MAY 30, 2020

(THOUSANDS)

<u>LAST YEAR</u>	<u>THIS YEAR ACTUAL</u>			<u>THIS YEAR</u>		<u>THIS YEAR ACTUAL</u>	
<u>AMOUNT</u>	<u>BETTER (WORSE) LAST YEAR</u>			<u>BUDGET</u>	<u>ACTUAL</u>	<u>BETTER (WORSE) BUDGET</u>	
	<u>AMOUNT</u>	<u>%</u>		<u>AMOUNT</u>	<u>AMOUNT</u>	<u>AMOUNT</u>	<u>%</u>
			<u>OPERATING REVENUES</u>				
\$ 5,939	\$ (1,198)	(20.18)	Passenger Revenue	\$ 6,124	\$ 4,741	\$ (1,383)	(22.58)
22	(6)	(27.18)	Investment Income	24	16	(8)	(33.33)
683	34	4.98	Other Income	824	717	(107)	(12.99)
<u>6,644</u>	<u>(1,170)</u>	<u>(17.62)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>6,972</u>	<u>5,474</u>	<u>(1,498)</u>	<u>(21.49)</u>
			<u>OPERATING EXPENSES</u>				
25,287	(319)	(1.26)	Labor & Fringe Benefits	25,941	25,606	335	1.29
4,048	299	7.39	Material & Services	4,273	3,749	524	12.26
275	(352)	-	Injuries & Damages	293	627	(334)	-
54	(21)	(38.89)	Fixed Rent	55	75	(20)	(36.36)
2,190	203	9.27	Fuel	2,323	1,987	336	14.46
48	(1)	(2.08)	Depreciation	50	49	1	2.00
<u>31,902</u>	<u>(191)</u>	<u>(0.60)</u>	TOTAL OPERATING EXPENSES	<u>32,935</u>	<u>32,093</u>	<u>842</u>	<u>2.56</u>
<u>(25,258)</u>	<u>(1,361)</u>	<u>(5.39)</u>	DEFICIT BEFORE SUBSIDIES	<u>(25,963)</u>	<u>(26,619)</u>	<u>(656)</u>	<u>(2.53)</u>
			<u>OPERATING SUBSIDIES</u>				
1,112	(62)	(5.58)	Federal	1,065	1,050	(15)	(1.41)
20,505	(329)	(1.61)	State	21,119	20,176	(943)	(4.47)
3,076	(50)	(1.62)	Local	3,168	3,026	(142)	(4.48)
38	(13)	(34.21)	Lease Cost/Debt Service	28	25	(3)	(10.71)
586	1	0.17	Other - Route Guarantees	583	587	4	0.69
<u>25,317</u>	<u>(453)</u>	<u>(1.79)</u>	TOTAL OPERATING SUBSIDIES	<u>25,963</u>	<u>24,864</u>	<u>(1,099)</u>	<u>(4.23)</u>
<u>59</u>	<u>(1,814)</u>	<u>-</u>	SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>(1,755)</u>	<u>(1,755)</u>	<u>-</u>
<u>8</u>	<u>(3)</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>5</u>	<u>5</u>	
\$ <u>67</u>	\$ <u>(1,817)</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ <u>-</u>	\$ <u>(1,750)</u>	\$ <u>(1,750)</u>	

**FINANCIAL REPORT - MAY 2020**

**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 MAY 30, 2020

(THOUSANDS)

ONE MONTH ENDED MAY 30, 2020					ELEVEN MONTHS ENDED MAY 30, 2020				
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>									
\$ 13,091	\$ 445	(96.60)	\$ 12,740	(96.51)	\$ 131,071	\$ 106,236	(18.95)	\$ 130,150	(18.37)
1,377	562	(59.19)	1,154	(51.30)	14,111	12,211	(13.46)	13,224	(7.66)
<u>14,468</u>	<u>1,007</u>	<u>(93.04)</u>	<u>13,894</u>	<u>(92.75)</u>	<u>145,182</u>	<u>118,447</u>	<u>(18.41)</u>	<u>143,374</u>	<u>(17.39)</u>
TOTAL REVENUE AVAILABLE FOR OPERATIONS					TOTAL REVENUE AVAILABLE FOR OPERATIONS				
<u>36,474</u>	<u>29,338</u>	<u>19.56</u>	<u>38,507</u>	<u>23.81</u>	<u>350,145</u>	<u>350,208</u>	<u>(0.02)</u>	<u>341,593</u>	<u>(2.52)</u>
<u>(22,006)</u>	<u>(28,331)</u>	<u>(28.74)</u>	<u>(24,613)</u>	<u>(15.11)</u>	<u>(204,963)</u>	<u>(231,761)</u>	<u>(13.07)</u>	<u>(198,219)</u>	<u>(16.92)</u>
OPERATING EXPENSES					OPERATING EXPENSES				
DEFICIT BEFORE SUBSIDIES					DEFICIT BEFORE SUBSIDIES				
<u>22,006</u>	<u>23,861</u>	<u>8.43</u>	<u>24,205</u>	<u>(1.42)</u>	<u>204,963</u>	<u>220,623</u>	<u>7.64</u>	<u>198,547</u>	<u>11.12</u>
OPERATING SUBSIDIES					OPERATING SUBSIDIES				
<u>-</u>	<u>(4,470)</u>		<u>(408)</u>		<u>-</u>	<u>(11,138)</u>		<u>328</u>	
SURPLUS/(DEFICIT) AFTER SUBSIDIES					SURPLUS/(DEFICIT) AFTER SUBSIDIES				
<u>-</u>	<u>(60)</u>		<u>228</u>		<u>-</u>	<u>617</u>		<u>276</u>	
Unrealized Investment Gain/(Loss)					Unrealized Investment Gain/(Loss)				
<u>\$ -</u>	<u>\$ (4,530)</u>		<u>\$ (180)</u>		<u>\$ -</u>	<u>\$ (10,521)</u>		<u>\$ 604</u>	
SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)					SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)				
2,071	410	(80.20)	2,057	(80.07)	19,908	16,985	(14.68)	19,579	(13.25)
TOTAL VEHICLE MILES					TOTAL VEHICLE MILES				
3,390	94	(97.23)	3,294	(97.15)	32,157	26,065	(18.94)	31,588	(17.48)
REVENUE PASSENGER JOURNEYS					REVENUE PASSENGER JOURNEYS				

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
REGIONAL RAIL DIVISION  
DETAIL INCOME STATEMENT  
ONE MONTH ENDED MAY 30, 2020

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR BUDGET AMOUNT		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		AMOUNT	AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 12,740	\$ (12,295)	(96.51)	Passenger Revenue	\$ 13,091	\$ 445	\$ (12,646)	(96.60)
108	(32)	(29.63)	Investment Income	167	76	(91)	(54.49)
1,046	(560)	(53.54)	Other Income	1,210	486	(724)	(59.83)
13,894	(12,887)	(92.75)	TOTAL REVENUE AVAILABLE FOR OPERATIONS	14,468	1,007	(13,461)	(93.04)
			<u>OPERATING EXPENSES</u>				
21,412	4,830	22.56	Labor & Fringe Benefits	21,559	16,582	4,977	23.09
10,176	1,707	16.77	Material & Services	12,377	8,469	3,908	31.57
4,914	2,415	49.15	Injuries & Damages	407	2,499	(2,092)	-
1,396	483	34.60	Propulsion Power	1,337	913	424	31.71
89	(132)	-	Fixed Rent	175	221	(46)	(26.29)
43	(11)	(25.58)	Fuel	60	54	6	10.00
477	(123)	(25.79)	Depreciation	559	600	(41)	(7.33)
38,507	9,169	23.81	TOTAL OPERATING EXPENSES	36,474	29,338	7,136	19.56
(24,613)	(3,718)	(15.11)	DEFICIT BEFORE SUBSIDIES	(22,006)	(28,331)	(6,325)	(28.74)
			<u>OPERATING SUBSIDIES</u>				
821	(102)	(12.42)	Federal	665	719	54	8.12
14,766	(2,436)	(16.50)	State	13,193	12,330	(863)	(6.54)
2,215	(366)	(16.52)	Local	1,979	1,849	(130)	(6.57)
6,261	2,664	42.55	Lease Cost/Debt Service	6,031	8,925	2,894	47.99
142	(104)	(73.24)	Other - Route Guarantees	138	38	(100)	(72.46)
24,205	(344)	(1.42)	TOTAL OPERATING SUBSIDIES	22,006	23,861	1,855	8.43
(408)	(4,062)	-	SURPLUS/(DEFICIT) AFTER SUBSIDIES	-	(4,470)	(4,470)	-
228	(288)		Unrealized Investment Gain/(Loss)	-	(60)	(60)	
\$ (180)	\$ (4,350)		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	\$ -	\$ (4,530)	\$ (4,530)	

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
REGIONAL RAIL DIVISION  
DETAIL INCOME STATEMENT  
ELEVEN MONTHS ENDED MAY 30, 2020

(THOUSANDS)

LAST YEAR AMOUNT	THIS YEAR ACTUAL BETTER (WORSE) LAST YEAR			THIS YEAR		THIS YEAR ACTUAL BETTER (WORSE) BUDGET	
	AMOUNT	%		BUDGET AMOUNT	ACTUAL AMOUNT	AMOUNT	%
			<u>OPERATING REVENUES</u>				
\$ 130,150	\$ (23,914)	(18.37)	Passenger Revenue	\$ 131,071	\$ 106,236	\$ (24,835)	(18.95)
1,411	(60)	(4.25)	Investment Income	1,520	1,351	(169)	(11.12)
11,813	(953)	(8.07)	Other Income	12,591	10,860	(1,731)	(13.75)
<u>143,374</u>	<u>(24,927)</u>	<u>(17.39)</u>	TOTAL REVENUE AVAILABLE FOR OPERATIONS	<u>145,182</u>	<u>118,447</u>	<u>(26,735)</u>	<u>(18.41)</u>
			<u>OPERATING EXPENSES</u>				
209,087	1,273	0.61	Labor & Fringe Benefits	208,940	207,814	1,126	0.54
106,919	(1,591)	(1.49)	Material & Services	113,469	108,510	4,959	4.37
2,610	(9,207)	-	Injuries & Damages	4,189	11,817	(7,628)	-
16,165	2,418	14.96	Propulsion Power	14,830	13,747	1,083	7.30
1,145	(950)	(82.97)	Fixed Rent	1,996	2,095	(99)	(4.96)
430	45	10.47	Fuel	576	385	191	33.16
5,237	(603)	(11.51)	Depreciation	6,145	5,840	305	4.96
<u>341,593</u>	<u>(8,615)</u>	<u>(2.52)</u>	TOTAL OPERATING EXPENSES	<u>350,145</u>	<u>350,208</u>	<u>(63)</u>	<u>(0.02)</u>
<u>(198,219)</u>	<u>(33,542)</u>	<u>(16.92)</u>	DEFICIT BEFORE SUBSIDIES	<u>(204,963)</u>	<u>(231,761)</u>	<u>(26,798)</u>	<u>(13.07)</u>
			<u>OPERATING SUBSIDIES</u>				
6,238	428	6.86	Federal	6,066	6,666	600	9.89
114,961	13,115	11.41	State	120,341	128,076	7,735	6.43
17,244	1,967	11.41	Local	18,051	19,211	1,160	6.43
58,545	6,522	11.14	Lease Cost/Debt Service	58,987	65,067	6,080	10.31
1,559	44	2.82	Other - Route Guarantees	1,518	1,603	85	5.60
<u>198,547</u>	<u>22,076</u>	<u>11.12</u>	TOTAL OPERATING SUBSIDIES	<u>204,963</u>	<u>220,623</u>	<u>15,660</u>	<u>7.64</u>
<u>328</u>	<u>(11,466)</u>	<u>-</u>	SURPLUS/(DEFICIT) AFTER SUBSIDIES	<u>-</u>	<u>(11,138)</u>	<u>(11,138)</u>	<u>-</u>
<u>276</u>	<u>341</u>		Unrealized Investment Gain/(Loss)	<u>-</u>	<u>617</u>	<u>617</u>	
<u>\$ 604</u>	<u>\$ (11,125)</u>		SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)	<u>\$ -</u>	<u>\$ (10,521)</u>	<u>\$ (10,521)</u>	

R E S O L U T I O N

re

THE CAPITAL BUDGET FOR FISCAL YEAR 2021;  
THE TWELVE-YEAR CAPITAL PROGRAM AND COMPREHENSIVE PLAN;  
AND COMMITMENT OF LOCAL FUNDS FOR THE FISCAL YEAR 2021  
CONSOLIDATED CAPITAL ASSISTANCE GRANT APPLICATION

---

WHEREAS, SEPTA's enabling act at 74 Pa.C.S. § 1751(a) requires SEPTA annually to adopt a capital budget and a capital program covering the ensuing 12 years; and

THE TENTATIVE CAPITAL BUDGET

WHEREAS, the passage of State Act 89 of 2013 provided a dedicated, long term funding solution for transportation in the Commonwealth, thereby enabling SEPTA to initiate and move forward with its "Rebuilding the System" Capital Program, and advance improvements throughout the transit network to bring transit assets into a state of good repair; and

WHEREAS, the Program includes (i) improvements to critical infrastructure such as substations, bridges, track and stations; (ii) safety and security enhancements, along with modernization of communications and signal equipment; (iii) the KEY Project which is replacing antiquated fare collection systems with modern payment technology; (iv) replacement of rail vehicles;

(v) expanding its fleet of hybrid diesel-electric buses, and performing vehicle overhauls to optimize vehicle performance; (vi) restoring rail service between Elwyn and a new station at US Route 1 in Middletown Township, Delaware County; (vii) annual financial obligations (i.e., debt service and capital lease payments); and (viii) funding to advance early action elements of the King of Prussia Rail and Trolley Modernization Projects of Significance; and

WHEREAS, the FY 2021 Capital Budget totals \$640.22 million and the 12-Year Capital Program totals \$7.4 billion; and

#### STATE FUNDS

WHEREAS, in accordance with Act 44 of 2007, as amended by Act 89 of 2013, at this time SEPTA anticipates that it would be eligible to receive from the Public Transportation Trust Fund ("PTTF") of the Commonwealth, the full funding amount of \$349.28 million (or 54.6 percent of the total budget) for capital projects for Fiscal Year 2021, so long as SEPTA receives \$11.65 million in matching funds from the Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources; and

WHEREAS, SEPTA will apply the financial assistance available through the PTTF and local matches to advance the tentative Fiscal Year 2021 Capital Budget; and

FEDERAL FUNDS

WHEREAS, the Proposed Fiscal Year 2021 Capital Budget also forecasts \$219.29 million (or 34.3 percent of the total budget) to come from Federal sources; and

WHEREAS, in order to meet the mandate of having an adopted capital budget prior to the start of the new fiscal year (on July 1<sup>st</sup>), SEPTA staff is presenting the FY 2021 Capital Budget as proposed for Board consideration; and

WHEREAS, an integral part of SEPTA's capital budgeting process involves extensive public and stakeholder outreach which was accomplished via staff having notified a significant number of stakeholders about the capital budget hearings, including entities such as community based organizations and neighborhood civic groups; advocacy groups; SEPTA advocacy committees; federal, state, and city/local elected officials; funding agencies; city, county and regional planning commissions; transportation management associations; Chambers of Commerce; disabled and older adult stakeholders; and the general business community; and

WHEREAS, extensive outreach was also conducted on social media and in newspapers of record with coverage in English, Spanish and Chinese; and



WHEREAS, in addition thereto, the state of the current Capital Program was discussed at Public Open House sessions held on January 29, 2020, to solicit input from the public, elected officials and community groups; and

#### VIRTUAL PUBLIC HEARING

WHEREAS, pursuant to applicable law and the rules and regulations that became effective on March 1, 2010, the Chairman appointed Joseph M. O'Malley, Esquire, as Hearing Examiner to conduct a virtual public hearing with respect to the tentative Capital Budget for Fiscal Year 2021 and the tentative Twelve-Year Capital Program and Comprehensive Plan; and

WHEREAS, after appropriate publication and posting, due to the COVID-19 pandemic the Hearing Examiner presided over a virtual public hearing conducted over two sessions which were held on May 20, 2020, with SEPTA's witnesses and representatives being present in the Board Room and the Hearing Examiner (and court reporter) present via WebEx; and

WHEREAS, a pre-recording of the General Manager's and Hearing Examiner's opening remarks, SEPTA's official testimony and Power Point presentation were available on SEPTA's website for the public to view; and

WHEREAS, persons who desired to do so were given the opportunity to appear at the virtual public hearing, to present

testimony, to introduce exhibits and other evidence, and to ask relevant questions of the representatives of SEPTA; and

WHEREAS, a total of 45 individuals participated in the two sessions of the virtual public hearing (and another 15 listening thereto), with nine presenting testimony, along with nine e-mails that were entered into the record, the majority of comments coming from transit advocacy organizations addressing such issues as the need to fast track accessibility improvements, enhancement of the SEPTA KEY Program with additional kiosks, and movement on trolley modernization; and

WHEREAS, based on the testimony, evidence, and exhibits presented at the public hearing or otherwise entered into the record, on May 31, 2020 the Hearing Examiner issued to the Board a Report and Recommendation with respect to the tentative Capital Budget for Fiscal Year 2021 and the tentative Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2021-2032; and

WHEREAS, in his Report and Recommendation the Hearing Examiner recommended that the Board adopt the Fiscal Year 2021 Capital Budget and Fiscal Years 2021-2032 Capital Program as proposed; and

COVID-19 IMPACTS ON THE CAPITAL BUDGET

WHEREAS, the Pennsylvania Turnpike Commission ("Turnpike") is legislatively required to pay \$450 million a year to the Department of Transportation for the Commonwealth of Pennsylvania ("PennDOT") which in turn distributes funds to various transit agencies across the Commonwealth; and

WHEREAS, SEPTA is aware that State revenues are being affected by the COVID-19 pandemic crisis, as the Turnpike recently approved a delay in making its first quarterly payment to PennDOT; and

WHEREAS, due to the lack of clarity on available funding, SEPTA realizes adjustments may need to be made to the Fiscal Year 2021 Capital Budget, which was developed based upon the funding guidance available at the time the proposal was published on April 20, 2020; and

WHEREAS, staff will keep the Board apprised of any material changes to the Fiscal Year 2021 Capital Budget that may be necessitated and will provide updates to customers, advocacy groups and other interested parties regarding any changes to the Capital Plan; and

USE OF STATE FUNDS

WHEREAS, the management of SEPTA has reasonable belief based on historical commitments of local funding that the

Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources will provide funds up to \$11.65 million that will match the financial assistance for the Fiscal Year 2021 capital projects that SEPTA will request from PennDOT; and

WHEREAS, SEPTA recognizes that financial assistance obtained through the PTF and local matches (i) may only be applied to capital projects, (ii) are ineligible for use as payment for operating expenses, as defined by PennDOT, and (iii) if not used in Fiscal Year 2021 must be retained and used only for capital projects in a subsequent fiscal year or years; and

#### RECOMMENDATION OF MANAGEMENT

WHEREAS, staff requested that the General Manager recommend that the Board (i) adopt the Capital Budget for Fiscal Year 2021 and the Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2021-2032 as proposed, and (ii) authorize SEPTA to apply for financial assistance through the PTF for capital projects for Fiscal Year 2021; and

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

NOW, THEREFORE, BE IT RESOLVED, that upon consideration of the testimony taken and evidence presented at the virtual public hearing or otherwise entered into the record, together with the

arguments and/or other material presented at this meeting of the Board, along with the recommendation of the Hearing Examiner, the Board hereby adopts the Capital Budget for Fiscal Year 2021 and the Twelve-Year Capital Program and Comprehensive Plan for Fiscal Years 2021-2032 as proposed by Management.

FURTHER RESOLVED, that the Board hereby authorizes SEPTA to submit to the Department of Transportation of the Commonwealth of Pennsylvania an application for up to \$349.28 million of financial assistance for capital projects for Fiscal Year 2021 and any other state funds that may be made available for Fiscal Year 2021.

FURTHER RESOLVED, that the Board hereby designates the Deputy General Manager/Treasurer the Authorized Official ("AO") of SEPTA and authorizes the Deputy General Manager/Treasurer as Authorized Official to execute and file electronically via "dotGrants" with the Department of Transportation of the Commonwealth of Pennsylvania an application or applications in which SEPTA requests financial assistance for capital projects for Fiscal Years 2021-2032 under Act 44 of 2007, as amended by Act 89 of 2013, and other appropriate legislation.

FURTHER RESOLVED, that based upon (i) the representation and reasonable belief of the management of SEPTA, (ii) the understanding that the Board has no authority over any entity

other than SEPTA, and (iii) the historical commitments of local funding, the Board hereby certifies in good faith that the Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources will provide funds of no less than \$11.65 million in support of the Fiscal Year 2021 Capital Budget and that said funds will match the financial assistance for capital projects that SEPTA will receive from the PTF.

FURTHER RESOLVED, that as to financial assistance for capital projects that SEPTA will receive from the PTF and local matches, the Board certifies that SEPTA (i) will only apply the funds to capital projects, (ii) recognizes that the funds are ineligible for use as payment for operating expenses, as defined by PennDOT, and (iii) will retain the funds not used in Fiscal Year 2021 and will use the funds only for capital projects in a subsequent fiscal year or years.

FURTHER RESOLVED, that for the purpose of obtaining financial assistance for the Projects, the Board hereby authorizes the proper officers of SEPTA (i) to file applications, in form approved by the Office of General Counsel, with the Federal Transit Administration, the Pennsylvania Department of Transportation and all other funding agencies, (ii) to secure commitments of local matching funds and (iii) to

give to each of the entities from which funds are sought all necessary assurances, including those specified in the General Resolutions on this subject that the Board adopted on November 17, 1974, February 22, 1978, and May 26, 1982.

FURTHER RESOLVED, that in accordance with Treasury Regulation § 1.150-2, SEPTA may temporarily finance from its own funds or from its revolving credit facility, all or a portion of the costs of the projects described in this Fiscal Year 2021 Capital Budget up to an amount equal to the total costs of the projects which shall be \$640.22 million, and may then use all or a portion of the proceeds of tax-exempt or taxable obligations to reimburse itself for expenditures originally paid prior to the date of issuance of the tax-exempt or taxable obligations, and all original expenditures which may be reimbursed will be capital expenditures (as defined in Treasury Regulation § 1.150-1(b)) and other permissible amounts under Treasury Regulation § 1.150-2(d)(3).

FURTHER RESOLVED, that the Board hereby authorizes the Chairman, General Manager or her designee, and other proper officers of SEPTA to enter into and to execute such agreements or other instruments, in form approved by the Office of General Counsel, with the funding agencies as may be required in order to obtain funding for the programs and Projects included in the

Capital Budget for Fiscal Year 2021 and otherwise to effectuate the purposes of this Resolution.

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

S/Corp/Resolutions/06-2020-FY2021 Capital Budget and FY2021-2032 Capital Program and Comprehensive Plan



R E S O L U T I O N

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ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2021  
AND FISCAL YEARS 2022-2026 FINANCIAL PROJECTIONS

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WHEREAS, SEPTA's enabling act at 74 Pa.C.S. § 1751(a) requires the Board to adopt an operating budget prior to the beginning of each fiscal year and authorizes the Board to "establish such rules as are necessary for proper observance" of such budget; and

WHEREAS, the Public Transportation Law requires the Board to adopt by June 30 annually a series of Operating Goals and Performance Evaluation Measures; and

WHEREAS, the Public Transportation Law also requires the Board to adopt a resolution that authorizes the filing of an application for a state grant; and

THE TENTATIVE OPERATING BUDGET

WHEREAS, on March 20, 2020 staff released to the Board the tentative Operating Budget Proposal for Fiscal Year 2021 which sets forth revenue and operating expense levels, as well as Fiscal Years 2022-2026 Financial Projections; and

WHEREAS, the tentative Operating Budget for Fiscal Year 2021 sets an authorized spending level of \$1.531 billion, with revenues totaling \$542 million and subsidies of \$989 million.

VIRTUAL PUBLIC HEARING

WHEREAS, pursuant to applicable law and the rules and regulations that became effective on March 1, 2010, the Chairman appointed Joseph M. O'Malley, Esquire as Hearing Examiner to conduct a virtual public hearing with respect to the tentative Operating Budget for Fiscal Year 2021; and

WHEREAS, after appropriate publication and posting, due to the COVID-19 pandemic the Hearing Examiner presided over a virtual public hearing, the four sessions of which were held over two days (May 26 and 27, 2020), with SEPTA's witnesses and representatives being present in the Board Room and the Hearing Examiner (and court reporter) present via WebEx; and

WHEREAS, a pre-recording of the General Manager's and Hearing Examiner's opening remarks, SEPTA's official testimony and Power Point presentation were available on SEPTA's website for the public to view beginning on May 15, 2020; and

WHEREAS, persons who desired to do so were given the opportunity to participate at the sessions of the virtual public

hearing to present testimony, to introduce material and to ask questions of SEPTA's representatives; and

WHEREAS, a total of 157 individuals registered for the four sessions of the virtual public hearing, with 37 presenting testimony, along with 32 e-mails and three voicemail comments being received on-line, the majority of which were from transit advocacy organizations and addressed the fare restructuring proposal; and

WHEREAS, based on the testimony, evidence and exhibits presented at the four sessions of the virtual public hearing or otherwise entered into the record, on June 2, 2020 the Hearing Examiner presented to the Board a Report and Recommendation; and

WHEREAS, the Hearing Examiner recommended that the Board adopt the tentative Fiscal Year 2021 Operating Budget and the Fiscal Years 2022-2026 Financial Projections; and

#### COVID-19 IMPACTS ON THE OPERATING BUDGET

WHEREAS, SEPTA is aware that operating revenues are being affected by the COVID-19 pandemic; and

WHEREAS, due to the lack of clarity on the economic recovery, and delayed implementation of the proposed fare increase, SEPTA realizes adjustments may need to be made to the Fiscal Year 2021 Operating Budget; and

WHEREAS, staff anticipates using CARES Act funding and strict expense management to ensure a balanced budget in Fiscal Year 2021; and

WHEREAS, staff will keep the Board apprised of any material changes to the Fiscal Year 2021 Operating Budget that may be necessitated and will provide updates to customers, advocacy groups and other interested parties regarding any material changes to the Operating Budget; and

#### USES OF STATE FUNDS

WHEREAS, SEPTA will apply the financial assistance obtained through Act 44 of 2007, as amended by Act 89 of 2013 and local matches to SEPTA's projected operating expenses; and

WHEREAS, SEPTA recognizes that financial assistance obtained through Act 44 of 2007, as amended by Act 89 of 2013 and local matches (i) may only be applied to operating expenses, (ii) are ineligible for use in asset or capital improvement projects and (iii) if not used in Fiscal Year 2021 will be retained and used for only operating assistance in a subsequent fiscal year; and

#### RECOMMENDATION OF MANAGEMENT

WHEREAS, staff requested that the General Manager recommend that the Board (i) adopt the tentative Operating Budget for

Fiscal Year 2021, at an expense level of \$1.531 billion; and  
(ii) adopt the Fiscal Years 2022-2026 Financial Projections; and

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

NOW, THEREFORE, BE IT RESOLVED, that upon consideration of the testimony taken and evidence presented at the virtual public hearing or otherwise entered into the record, the Report and Recommendation of the Hearing Examiner and the arguments and/or other material presented at this virtual public meeting, the Board hereby adopts (i) the Fiscal Year 2021 Operating Budget authorizing expenditures of \$1.531 billion during Fiscal Year 2021; and (ii) the Fiscal Years 2022-2026 Financial Projections.

FURTHER RESOLVED, that the Board hereby designates the Deputy General Manager/Treasurer the Authorized Official ("AO") of SEPTA and authorizes the Deputy General Manager/Treasurer as Authorized Official to execute and file electronically via "dotGrants" with the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT"), on behalf of the Board, a consolidated operating application ("COA") in which SEPTA requests grant funding for Fiscal Year 2021 under § 1513 and § 1516 of Act 44 of 2007, as amended by Act 89 of 2013.

FURTHER RESOLVED, that pursuant to guidelines ("Guidelines") that PennDOT issued and imposed upon SEPTA, the Board:

(i) adopts Attachment A of this Resolution, namely the list that management issued in conformity with the Guidelines, said list identifies each submission that SEPTA may be required to make to PennDOT and the corresponding senior management position or positions whose duties and responsibilities make the holder of the senior management position or positions competent to make submissions (and modify submissions) to PennDOT; and

(ii) Authorize the people who hold the positions identified on the list to file and execute electronically via "dotGrants" to PennDOT as are set forth on the list (Attachment A).

FURTHER RESOLVED, that SEPTA expects to receive COA grant funding for Fiscal Year 2021 totaling \$728,066,363.

FURTHER RESOLVED, the funding under Act 44 of 2007, as amended by Act 89 of 2013, consists of § 1513 and § 1516 in the amounts of \$714,416,750 and \$13,649,613, respectively, with § 1513 including funding that SEPTA must disburse amongst two sub-grantees in the amount of \$37,487 that provide to senior

citizens free transit service and, upon PennDOT approval, to four sub-grantees in the amount of \$2,852,100 to provide community transportation (formerly JARC funded) within SEPTA's service area.

FURTHER RESOLVED, that SEPTA expects to receive not less than \$106,729,074 in local matching funds no later than June 30, 2021 for Fiscal Year 2021 as § 1513 of Act 44 of 2007, as amended by Act 89 of 2013, requires.

FURTHER RESOLVED, that based upon (i) the representation and reasonable belief of the management of SEPTA, (ii) the understanding that the Board has no authority over any entity other than SEPTA, and (iii) the historical commitments of local funding, the Board hereby certifies in good faith that the Counties of Bucks, Chester, Delaware, Montgomery and Philadelphia and other appropriate local sources will provide sufficient funds in Fiscal Year 2021 and that said funds will match the financial assistance for operating expenses that SEPTA will receive under Act 44 of 2007, as amended by Act 89 of 2013.

FURTHER RESOLVED, that the Board hereby authorizes the 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.

S/Corp/Resolutions/ 06-2020-FY2021 Operating Budget and FY 2022-2026 Financial Projections



**ATTACHMENT A**

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY EMPLOYEES AUTHORIZED TO SUBMIT AND MODIFY  
THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION'S DOTGRANTS OBJECTS**

	Registration - Organization Core Info	Grant Applications	Projected Legacy Budget	Unaudited Actual Legacy Budget	Audited Actual Legacy Budget*	Grant Agreement Execution	Invoices	Progress Reports
<b>Authorized to Submit &amp; Modify</b>								
Position Title:	General Manager	General Manager	General Manager	General Manager	General Manager	Chairman of SEPTA Board	General Manager	General Manager
Position Title:	Deputy General Manager / Treasurer	Deputy General Manager / Treasurer	Deputy General Manager / Treasurer	Deputy General Manager / Treasurer		General Manager	Deputy General Manager / Treasurer	Deputy General Manager / Treasurer
Position Title:	Chief Financial Officer	Chief Financial Officer	Chief Financial Officer	Chief Financial Officer		Deputy General Manager / Treasurer	Chief Financial Officer	Chief Financial Officer
Position Title:	Assistant Treasurer	Assistant Treasurer	Assistant Treasurer	Assistant Treasurer		Chief Financial Officer	Assistant Treasurer	Assistant Treasurer
Position Title:	Director, Operating Budgets	Director, Operating Budgets	Director, Operating Budgets	Director, General Accounting		Assistant Treasurer	Director, Admin. & Finance (CCT)	Director, General Accounting
Position Title:	Director, Capital Budgets	Director, Capital Budgets	Manager, Rev. Acctg. Oper. Grants & F.A.	Manager, General Accounting			Manager, Cash Mgt., Accts. Pay. & Billings	Director, Operating Budgets
Position Title:	Director, Admin. & Finance (CCT)	Manager, Rev. Acctg. Oper. Grants & F.A.	Senior Accountant	Manager, Rev. Acctg. Oper. Grants & F.A.			Manager, Financial Audit (CCT)	Director, Capital Budgets
Position Title:	Director, General Accounting	Manager, Capital Grant Development					Supervisor, Billings	Manager, Gen. Accounting
Position Title:	Manager, General Accounting	Manager, Capital Budgets					Senior Accountant	Manager, Rev. Acctg. Oper. Grants & F.A.
Position Title:	Manager, Rev. Acctg. Oper. Grants & F.A.	Senior Accountant					Accountant	Manager, Capital Grant Development
Position Title:	Manager, Cash Mgt., Accts. Pay. & Billings							Manager, Capital Budgets
Position Title:	Manager, Capital Grant Development							
Position Title:	Manager, Capital Budgets							
Position Title:	Manager, Financial Audit (CCT)							
Position Title:	Supervisor, Billings							
Position Title:	Senior Accountant							

\* PennDOT requires the Audited Actual Legacy Budget to be submitted by the chief operating officer (such as Executive Director, General Manager, etc.).

R E S O L U T I O N

re

TARRIFF CHANGES FOR FARE RESTRUCTURING ASSOCIATED WITH THE  
ADOPTION OF THE PROPOSED FISCAL YEAR 2021 OPERATING BUDGET

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WHEREAS, pursuant to the 2006 recommendation of the Pennsylvania Transportation Funding and Reform Commission to periodically increase transit fares, the Authority included a modest fare increase in its proposed Fiscal Year 2021 Operating Budget; and

WHEREAS, the major goals of the restructuring include (i) enhancing equity; (ii) maintaining affordability; (iii) providing a free transfer on transit; (iv) offering savings for children and family travel; and (v) developing new discounted products for less than five days per week travel; and

WHEREAS, pricing was held constant and will remain flat over a period of six years for many of SEPTA's transit services, including the (i) cash and disabled fares; (ii) One-Day Pass; and (iii) fares for riders utilizing ADA paratransit and senior Shared Ride Program services; and

WHEREAS, due to the impact of the COVID-19 pandemic crisis on the region, staff is now recommending that the proposed fare changes which with Board approval would have become effective on July 1, 2020, now be delayed until January 1, 2021 at the earliest, with such effective date being subject to further consultation with the Board; and

WHEREAS, staff is also recommending that the fare savings initiatives be implemented as initially planned effective July 1, 2020, which include (i) offering one free transfer on Transit for customers using the SEPTA KEY Card; (ii) reducing fares for children (ages 5-11) to \$1.00 on both Transit and Regional Rail; and (iii) increasing the number of children under the age of five (5) eligible to ride free from two to three; and

WHEREAS, an integral part of SEPTA's fare restructuring process involves extensive public and stakeholder outreach which was accomplished via staff having notified a significant number of stakeholders about the FY 2021 Operating Budget and fare restructuring hearings, including entities such as community based organizations and neighborhood civic groups; advocacy groups; SEPTA advocacy committees; federal, state, and city/local elected officials; funding agencies; city, county and regional planning commissions; transportation management

associations; Chambers of Commerce; disabled and older adult stakeholders; and the general business community; and

WHEREAS, extensive outreach was also conducted on social media and in newspapers of record with coverage in English, Spanish and Mandarin; and

#### VIRTUAL PUBLIC HEARING

WHEREAS, pursuant to applicable law and the rules and regulations that became effective on March 1, 2010, the Chairman appointed Joseph M. O'Malley, Esquire as Hearing Examiner to conduct a virtual public hearing with respect to the tentative Operating Budget for Fiscal Year 2021 and Fare Restructuring Plan; and

WHEREAS, after appropriate publication and posting, due to the COVID-19 pandemic the Hearing Examiner presided over a virtual public hearing, the four sessions of which were held over two days (May 26 and 27, 2020), with SEPTA's witnesses and representatives being present in the Board Room and the Hearing Examiner (and court reporter) present via WebEx; and

WHEREAS, a pre-recording of the General Manager's and Hearing Examiner's opening remarks, SEPTA's official testimony and Power Point presentation were available on SEPTA's website for the public to view beginning on May 15, 2020; and

WHEREAS, persons who desired to do so were given the opportunity to participate at the sessions of the virtual public hearing to present testimony, to introduce material and to ask questions of SEPTA's representatives; and

WHEREAS, a total of 157 individuals registered for the four sessions of the virtual public hearing, with 37 presenting testimony, along with 32 e-mails and three voicemail comments being received on-line, the majority of which were from transit advocacy organizations that addressed the fare restructuring proposal; and

WHEREAS, based on the testimony, evidence and exhibits presented at the four sessions of the virtual public hearing or otherwise entered into the record, on June 2, 2020 the Hearing Examiner presented to the Board a Report and Recommendation; and

WHEREAS, the Hearing Examiner recommended that the Board adopt the Fare Restructuring Plan; and

#### RECOMMENDATION OF MANAGEMENT

WHEREAS, staff requested that the General Manager recommend that the Board adopt the proposed Fiscal Year 2021 Fare Restructuring Plan without modification, and approve the Tariffs and corresponding fare changes as outlined in the pertinent staff summary, to be partially implemented on July 1, 2020, with

other fare changes to become effective not before January 1, 2021; and

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

NOW, THEREFORE, BE IT RESOLVED, that upon consideration of the testimony taken and evidence presented at the virtual public hearing or otherwise entered into the record, the Report and Recommendation of the Hearing Examiner and the arguments and/or other material presented at this virtual public meeting, the Board hereby adopts the Fiscal Year 2021 Fare Restructuring Plan as proposed.

FURTHER RESOLVED, that the Board hereby adopts the changes to the below listed tariffs which were filed as part of proposed Fiscal Year 2021 Fare Restructuring Plan, and instructs SEPTA staff to implement the tariffs as described hereinbelow:

Tariff No. 1, City Transit Division  
Tariff No. 112, PATCO  
Tariff No. 132, Interdivisional  
Tariff No. 146, Demand Response Service  
Tariff No. 154, Railroad Division  
Tariff No. 155, Suburban Transit Division  
Tariff No. 168, Parking

FURTHER RESOLVED, that the Board hereby authorizes the 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.

S/Corp/Resolutions/ 06-2020-FY2021 Fare Restructuring Plan

R E S O L U T I O N

re

TERMINATION OF J.P. MORGAN REAL ESTATE FUND AND  
GRESHAM COMMODITIES FUND AS INVESTMENT  
MANAGERS 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

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, J.P. Morgan Real Estate Fund ("J.P. Morgan") manages a portfolio of Real Estate securities for the SEPTA Pension Plan; and

WHEREAS, Gresham Commodities Fund ("Gresham") manages a portfolio of Commodities securities for the SEPTA Pension Plan; and



WHEREAS, at the Pension Committee Meeting that was held on November 21, 2019, PFM Advisors, SEPTA's Pension Plan consultant, recommended and the Pension Committee agreed, to place J.P. Morgan and Gresham on the Watch List pursuant to criteria outlined in the Policy Statement; and

WHEREAS, at the May 26, 2020 Pension Committee teleconference meeting, PFM Advisors reviewed updated performance measures of the J.P. Morgan and Gresham portfolios and discussed those results with the Pension Committee, and based on the performance data and other relevant information, PFM Advisors recommended and the Pension Committee agreed to terminate the investment management agreements with both J.P. Morgan and Gresham.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the termination of SEPTA's investment advisory agreements with both J.P. Morgan Real Estate Fund and Gresham Commodities Fund.

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 agreements with J.P. Morgan Real Estate Fund and Gresham Commodities Fund; (ii) take such action necessary to liquidate and/or transfer the assets currently managed by J.P.

Morgan Real Estate Fund and Gresham Commodities Fund 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.

R E S O L U T I O N

re

AUTHORIZATION FOR ENTERING INTO CONTRACTS FOR THE PURCHASE  
OF LIFE INSURANCE WITH METLIFE AND LONG TERM  
DISABILITY INSURANCE WITH MUTUAL OF OMAHA

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WHEREAS, in February 2020 the Authority's benefit broker/consultant (Brown & Brown Metro, LLC/Innovative Risk Solutions, Inc.) solicited a Request for Proposals (RFP) from prospective carriers for the provision of (i) life insurance for approximately 9,360 SEPTA employees (including active life insurance; accidental death and disability insurance; supplemental life insurance; and occupational hazard felonious assault insurance); and (ii) retiree life insurance coverage for 4,721 retirees; and

WHEREAS, in addition thereto, the contract will provide long term disability (LTD) insurance for employees specified by the SEPTA labor contract with the Fraternal Order of Transit Police (FOTP), as well as by the SAM employee benefit package; and

WHEREAS, the life insurance and LTD coverages were marketed together under the one RFP in order to assess the economics of

scale available to the Authority by having both lines of coverage with a single carrier, however based upon the quotes received by the individual insurance companies, it was determined the best alternative was to contract with separate entities; and

WHEREAS, SEPTA's broker/consultant requested quotes from 15 different carriers in the marketplace with three providing quotes, each of which were evaluated based upon the scope of services criteria and price; and

WHEREAS, the Technical Evaluation Committee unanimously determined that the quotes submitted by a combination of MetLife and Mutual of Omaha, the incumbent carriers for the life insurance and LTD insurance lines respectively, provided the most cost efficient and competitive programs when considering length of coverage and volatility of pricing in the future; and

WHEREAS, the annual projected cost to the Authority to award life insurance lines to MetLife for a term of five years is \$3,617,000.46, with the primary driver for the increase being the greater life insurance claim rate amongst SEPTA's retiree population; and

WHEREAS, the annual projected cost to the Authority to award LTD insurance to Mutual Of Omaha for three years is \$821,282.67, with the higher rate being attributable to the increase in LTD claims that are projected to make the LTD plan unsustainable at current pricing levels; and

WHEREAS, with the concurrence of the Administration Committee of the Board and due to the volatility of pricing, staff requested the General Manager recommend that the Board authorize SEPTA to award contracts to and renew its purchase of (i) life insurance coverage from MetLife for a period of five years at a total premium cost of \$18,085,002.30, and (ii) LTD insurance coverage from Mutual of Omaha for a period of three years at a total premium cost of \$2,463,848.01, both commencing October 1, 2020, under the terms and conditions that are 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 renew purchase of life insurance coverage from MetLife and long term disability insurance coverage from

Mutual of Omaha, under the terms and conditions that are set forth within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the 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.

S/Corp/Resolutions/06-2020-Life Insurance & LTD Insurance-MetLife-and-Mutual of Omaha

R E S O L U T I O N

re

AUTHORIZATION FOR THE PURCHASE OF DENTAL INSURANCE  
WITH UNITED CONCORDIA DENTAL

---

WHEREAS, in February 2020 the Authority's benefit broker/consultant (Brown & Brown Metro, LLC/Innovative Risk Solutions, Inc.) solicited a Request for Proposals (RFP) from prospective dental insurance carriers for the provision of dental insurance for approximately 4,050 non-TWU, Local 234 employees and their dependents, for a term of five years; and

WHEREAS, SEPTA's contract with incumbent carrier CIGNA Health And Life Insurance Company and six related dental insurance corporations (collectively "CIGNA) was for a term of five years commencing December 1, 2015, which expires on November 30, 2020; and

WHEREAS, four carriers submitted proposals, each of which were evaluated based upon the scope of services criteria, including (i) network size and characteristics; (ii) usual and customary (UCR) payment schedule; (iii) meeting/exceeding SEPTA's current dental plan benefits; (iv) plan administrator

standards; and (v) book of business (i.e., scale, client type and mix of group sizes); and

WHEREAS, after negotiations were completed, SEPTA received Best and Final Offers (BAFOs) from incumbent CIGNA and United Concordia Dental ("United Concordia"); and

WHEREAS, United Concordia's BAFO pricing (\$12,413,235) remained the same as its initial quotation, and while CIGNA's BAFO reduced its pricing, the quote was still \$1,008,379 more expensive than that of United Concordia; and

WHEREAS, United Concordia's price compared favorably with that of the SEPTA broker's projected cost, and was deemed fair and reasonable; and

WHEREAS, although CIGNA is the incumbent carrier, United Concordia is familiar with SEPTA since it is currently the provider of dental insurance for the Authority's TWU, Local 234 employees; and

WHEREAS, with the concurrence of the Administration Committee of the Board, staff requested the General Manager recommend that the Board authorize SEPTA to purchase self-insured dental insurance from United Concordia under the terms



and conditions that are 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 self-insured dental insurance from United Concordia Dental for SEPTA's non-TWU, Local 234 employees, for a five-year term scheduled to commence on December 1, 2020, for a total premium amount not to exceed \$12,413,235, under the terms and conditions that are set forth within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the 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.

R E S O L U T I O N

re

RENEWAL OF BLANKET RAILROAD PROTECTIVE LIABILITY INSURANCE  
WITH ASPEN INSURANCE COMPANY

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WHEREAS, railroad protective liability ("RRP") insurance insures a railroad against property damage and personal injury claims that arise out of construction that is performed on or within 50 feet of the railroad's right-of-way; and

WHEREAS, when SEPTA performs work, through contractors, on rights-of-way that National Railroad Passenger Corporation ("Amtrak") and/or CSX Transportation ("CSXT") owns, SEPTA is contractually required to provide RRP insurance which protects Amtrak and/or CSXT; and

WHEREAS, in 2019 SEPTA purchased from Aspen Insurance Company ("Aspen") three RRP insurance policies, one in which only SEPTA is the named insured, another in which SEPTA and Amtrak are named insureds and another in which SEPTA and CSXT are named insureds; and

WHEREAS, the three RRP insurance policies will expire on August 1, 2020 at a combined expiring premium of \$220,692; and

WHEREAS, the Risk Management Advisory Committee (RMAC) solicited the RRP Program extensively with seven insurance carriers, with only Aspen providing a quote for the 2020-21 policy year with no minimum project premium for SEPTA to add new projects, and is providing a flat rate guarantee; and

WHEREAS, the quote by Aspen for renewal of the three policies was at an annual premium total of \$220,430 for the period of August 1, 2020 through August 1, 2021, based upon estimated project costs for work performed on or within 50 feet of the railroad; and

WHEREAS, the Risk Management Advisory Committee and staff requested that the General Manager recommend that the Board authorize SEPTA to renew with Aspen the RRP insurance under the terms and conditions that are 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 obtain from Aspen Insurance Company railroad protective liability insurance coverage under the terms and conditions that are set forth within the pertinent staff summary.

FURTHER RESOLVED, that the renewal is for a 12-month term commencing on August 1, 2020 and the estimated annual premium is \$220,430.

FURTHER RESOLVED, that the Board hereby authorizes the proper officers of SEPTA to execute all other 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.

R E S O L U T I O N

re

REIMBURSEMENT AGREEMENT BETWEEN SEPTA AND THE PENNSYLVANIA  
DEPARTMENT OF TRANSPORTATION RELATING TO THE RECONSTRUCTION  
OF THE GIRARD AVENUE BRIDGE IN PHILADELPHIA COUNTY

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WHEREAS, by authorization of the Board on June 30, 2016, SEPTA and the Department of Transportation of the Commonwealth of Pennsylvania ("PennDOT") entered into a fourth master cooperation agreement ("Cooperation Agreement") which, among other things, defined each party's respective share of the costs associated with projects of PennDOT that require support by SEPTA; and

WHEREAS, the Cooperation Agreement requires PennDOT and SEPTA to enter into a project agreement for any project that is within the purview of the Cooperation Agreement; and

WHEREAS, the Girard Avenue Bridge ("Bridge") is located west of the Schuylkill River between 38<sup>th</sup> Street and the entrance to the Philadelphia Zoo in Philadelphia County; and

WHEREAS, PennDOT is repairing the substructure and replacing the Bridge superstructure of the public above-grade crossing where Girard Avenue (State Road 0030) crosses over one track of the CSX Transportation, Inc. (CSX) railroad right-of-

way ("Project"), with work scheduled to commence in late summer 2020 over an approximate duration of ten months; and

WHEREAS, as part of the said Project PennDOT will widen Girard Avenue to provide a wider shoulder on the north side of the Bridge and replacement of the SEPTA trolley track, PECO duct banks and PWD water line over the Bridge; and

WHEREAS, SEPTA has both track and power facilities that are located on the Bridge; and

WHEREAS, the agreement provides that PennDOT and SEPTA will each bear 50% of the cost to construct the trolley facilities on the reconstructed Bridge, with SEPTA forces being responsible for the reconstruction of the trolley tracks, the electrical system used to energize the trolleys (including its support poles and other appurtenances), and the utility ducts and supports mounted on the Bridge, and SEPTA being 100% responsible for all of the construction engineering costs (estimated to be \$27,385); and

WHEREAS, the cost of the SEPTA construction portion of the Project is \$1,421,887, and of this amount, SEPTA's share is estimated to be \$724,636 (including the 100% construction engineering costs); and

WHEREAS, PennDOT's contribution to the Project costs is estimated at \$697,251, of which an estimated \$497,251 will be a reimbursement to SEPTA; and

WHEREAS, staff requested that the Deputy General Manager recommend that the Board authorize SEPTA to enter into the proposed project agreement with PennDOT under the terms and conditions set forth above and more fully described in the pertinent staff summary; and

WHEREAS, the Deputy 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 the Department of Transportation of the Commonwealth of Pennsylvania with respect to the reimbursement of 50% of SEPTA's construction costs in support of the of the Girard Avenue Bridge Rehabilitation Project, under the terms and conditions that are set forth within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the Deputy 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.

R E S O L U T I O N

re

AUTHORIZATION TO AWARD CONTRACT FOR A PROCUREMENT

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

WHEREAS, the firm listed below was the lowest responsive and responsible bidder to the invitation for bids; and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to award the contract 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 her designee to execute the contract 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 vendor satisfactorily meeting all requirements of the bid terms and specifications, including



full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To Samuel A Ross Automotive Equipment Specialties, Inc., for the purchase of three mobile column lifts to be used at Berridge Shop and Southern Depot during the Vehicle Overhaul (VOH) Program for the 60-foot NOVA bus fleet, at a unit price of \$68,000, with delivery of the material within 30 days after issuance of purchase order, as described in the staff summary on this subject, for a total contract amount not to exceed \$204,000, Sealed Bid No. 20-00062-AMLPL – Mobile Column Lift.

S/Corp/Resolutions/RES-JUNE-2020-Sealed-Bids

R E S O L U T I O N

re

AWARD OF CONTRACTS FOR SOLE SOURCE PROCUREMENTS

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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 her 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. To Wabtec Passenger Transit, for the purchase of ten D-4-AS air compressors to be used in the vehicle overhaul (VOH) program of the Silverliner V rail car fleet, at a unit price of

\$72,948.15, with delivery of material within ten months after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed \$729,481.50, Sole Source No. 20-00087-AMUD - Compressor SLV.

2. To Conduent Transport Solutions, Inc., for the upgrade of the Computer Aided Radio Dispatch (CARD) System (utilizing the OrbCAD-NT software package) which provides radio dispatching and communications between surface transportation and the Control Center, as well as providing associated maintenance and support thereof, with services to be performed over a period of three years scheduled to commence in June 2020, along with two one-year renewal options to be exercised at the sole discretion of SEPTA, as described in the staff summary on this subject, for a total contract amount (including options) not to exceed \$1,839,675, Sole Source No. 20-00113-APQC - Five Year CARD System Upgrade and Maintenance & Support Services.

3. To Calibre Systems, Inc., for the upgrade and enhancement of the Capital Program Management System (CPMS) software used by the EM&C Project Control Department to monitor budgets, expenditures and grant compliances of all SEPTA capital projects, along with providing associated maintenance and support of the CPSM II System, with services to be performed

over a period of five years scheduled to commence in June 2020, as described in the staff summary on this subject, for a total contract amount not to exceed \$1,615,452, Sole Source No. 20-00110-APQC - Five Year CPMS System Maintenance and Upgrade.

4. To Swiftly, Inc., for the provision of real time and predictive analysis software services to be used by the (i) Operations Division for emergency management; (ii) Customer Experience & Advocacy Division for rapid complaint resolution; and (iii) Service & Planning Division for the COVID-19 Recovery Plan and real time data delivery for customers, with services to be performed over a period of one year scheduled to commence on July 1, 2020, as described in the staff summary on this subject, for a total contract amount not to exceed \$841,027, Sole Source No. 20-00126-APES - Cloud-Based Transit Performance Monitoring Software & Support.

R E S O L U T I O N

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AUTHORIZATION TO EXECUTE CHANGE ORDERS

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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 her designee to execute the change orders 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 Rockport Construction Company, Inc., for Change Order No. 1, which provides for additional general construction work on the Wynnefield Avenue Bridge Rehabilitation Project, at an increase in cost not to exceed \$103,356, bringing the total contract price, including this change order, to an amended contract amount not to exceed \$814,236, provided that with the

Board's approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amount to zero dollars (\$0) and the establishment of a new cumulative change order threshold of 10% or \$500,000, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a "Delegation of Authority for Change Orders, Amendments and Assignments."

2. To Santa Paul Corporation t/a Lima Company, for Change Order No. 2, which provides for additional mechanical construction work and a delay claim settlement on the Secane Railroad Station & Tunnel Project, at an increase in cost not to exceed \$185,996, bringing the total contract price, including all change orders to date, to an amended contract amount not to exceed \$657,970.

S/Corp/Resolutions/RES-JUNE-2020-Change Orders