SEPTA

FISCAL YEAR 2024

OPERATING BUDGET PROPOSAL

Fiscal Years 2025–2029
Financial Projections

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

Table of Contents

Table of Contents

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Southeastern Pennsylvania Transportation Authority
Pennsylvania

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to SEPTA for its Annual Budget for the fiscal year beginning July 1, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, financial plan, operations guide, and communications device. This award is valid for a period of one year only, however we believe our current budget continues to conform to program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.

Southeastern Pennsylvania Transportation Authority

Board Members

Chairman
Pasquale T. Deon, Sr.

Vice-Chairman
Honorable Kenneth Lawrence, Jr.

Bucks County
Pasquale T. Deon, Sr.
John F. Cordisco, Esquire

Chester County
Marian D. Moskowitz
Kevin L. Johnson, P.E.

Delaware County
Daniel R. Muroff, Esquire
Mark H. Dambly

Montgomery County
Robert D. Fox, Esquire
Honorable Kenneth Lawrence, Jr.

City of Philadelphia
Michael A. Carroll, P.E.
Deborah Mahler

Governor's Appointee
Scott C. Freda

**Senate Majority
Leader Appointee**
Thomas Jay Ellis, Esquire

**House Majority
Leader Appointee**
Honorable Martina White

**Senate Minority
Leader Appointee**
William J. Leonard, Esquire

**House Minority
Leader Appointee**
Esteban Vera, Jr.

SEPTA Officers

General Manager/Chief Executive Officer
Leslie S. Richards

**Chief Financial
Officer/Treasurer**
Nikolaus Grieshaber

General Counsel
Gino J. Benedetti, Esquire

Controller to the Board
Robert J. Marron

Secretary to the Board
Carol R. Looby

SEPTA
2023 BENEFITS REPORT
The Value of Transit

5th Largest Mass Transit System in the U.S.

4.2 Million Residents Within SEPTA's Service Area

600,000 Trips Per Day

2,800 Vehicle Fleet

9,000 Employees

$2.71 Billion Annual Capital and Operating Budget

Southeastern Pennsylvania Transportation Authority
Serving Bucks, Chester, Delaware, Montgomery, and Philadelphia counties

March 2023

SEPTA

Southeastern Pennsylvania Transportation Authority
Serving Bucks, Chester, Delaware, Montgomery, and Philadelphia counties

SEPTA DRIVES PENNSYLVANIA'S ECONOMY

SOUTHEASTERN PA GENERATES 38%, OR $15.5 BILLION, OF PENNSYLVANIA'S GENERAL FUND REVENUES.

The five counties generate 4**1% of the state's economic activity** with **32% of its population** on **5% of its land**. This level of economic activity is made possible by dense concentrations of residents and jobs and a transportation network that moves people efficiently throughout the region.

The southeast region maintained its share of tax base and economic contribution to the Commonwealth through the pandemic.

SOUTHEAST PA CONTRIBUTIONS TO COMMONWEALTH'S GENERAL FUND REVENUES

36% SALES TAX	**40%** INCOME TAX	**41%** CORPORATION TAX	**40%** ESTATE & REALTY TRANSFER TAX

SOUTHEAST SHARE OF THE COMMONWEALTH'S GENERAL FUND REVENUES

FY 2013: 36.0%
FY 2021: 38.4%
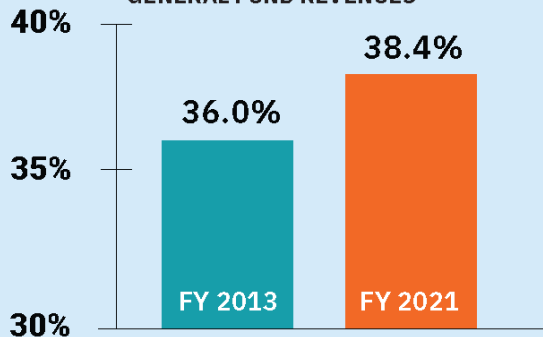
GENERAL FUND REVENUES OVER A DECADE

A GROWING SOUTHEAST MEANS HEALTHIER GENERAL FUND REVENUES FOR THE COMMONWEALTH.

This region's contribution to Pennsylvania's General Fund grew by $5.2 billion from FY 2013 to FY 2021.

BETWEEN 2010 AND 2021, THE FIVE COUNTIES ACCOUNTED FOR 71% OF THE STATE'S POPULATION GROWTH.

Southeast PA has continued to grow to 4.2 million (2021) in population over the past decade. This level of growth is not possible without our combined transportation and transit network.

PA POPULATION GROWTH 2010 - 2021

+186,431

BUCKS	+20,849
CHESTER	+39,763
DELAWARE	+14,870
MONTGOMERY	+60,704
PHILADELPHIA	+50,245
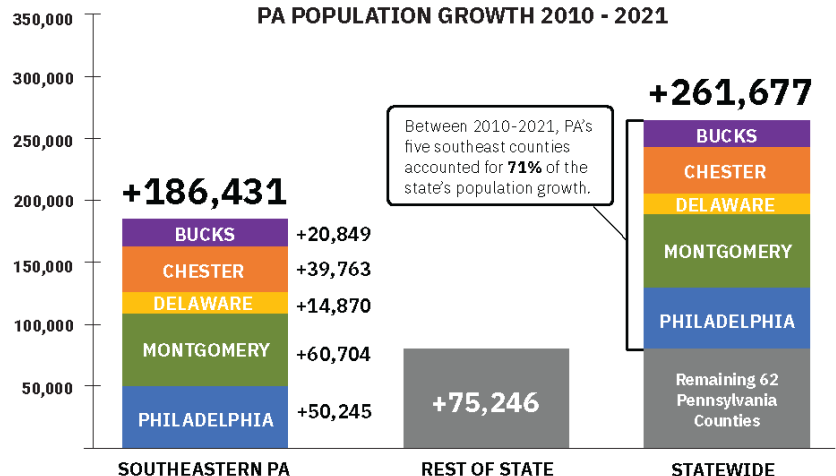
Between 2010-2021, PA's five southeast counties accounted for **71%** of the state's population growth.

+75,246

+261,677

BUCKS
CHESTER
DELAWARE
MONTGOMERY
PHILADELPHIA
Remaining 62 Pennsylvania Counties

SOUTHEASTERN PA · REST OF STATE · STATEWIDE

WE ARE A REGION BUILT ON TRANSIT

EVERY DAY, SEPTA'S BUSES, TRAINS, AND TROLLEYS PROVIDE MORE THAN 600,000 TRIPS THROUGHOUT SOUTHEASTERN PENNSYLVANIA.

The entire southeastern Pennsylvania region—from the streetcar suburbs of West Philly, to the Main Line of the Pennsylvania Railroad—our downtowns, our neighborhoods, our communities, blossomed around the legacy transit lines that the Southeastern Pennsylvania Transportation Authority (SEPTA) inherited.

This historic transit system remains more than essential: it's what enables people to lead productive, enjoyable, meaningful lives. Hundreds of thousands of people rely on SEPTA to reach jobs, schools, and essential services; cultural centers, recreation, houses of worship, and life-changing opportunities. SEPTA makes that happen—now more than ever. Today, over 600,000 trips per day use SEPTA's fully electrified rail system and hybrid buses.

TRANSIT IS PRESERVING ACCESS AND AFFORDABILITY FOR THOSE WITHOUT A CAR.

47% (or 246,000) of Pennsylvania households without vehicle access are located in the five-county southeast region.

POPULATION GROWTH IN THE FIVE SOUTHEAST COUNTIES ACCOUNTS FOR 71% OF THE STATE'S POPULATION GROWTH SINCE 2010.

TRANSIT IS AN ECONOMIC ENGINE

SOUTHEASTERN PA IS THE COMMONWEALTH'S KEY ECONOMIC ENGINE.

The five counties generate **41% of the state's economic activity** with **32% of its population** on **5% of its land**. This degree of economic productivity and density is not possible without transit to efficiently move people throughout the region.

4.2 MILLION RESIDENTS IN SEPTA'S SERVICE AREA
(2021)

BUCKS

MONTGOMERY

CHESTER

PHILADELPHIA

DELAWARE
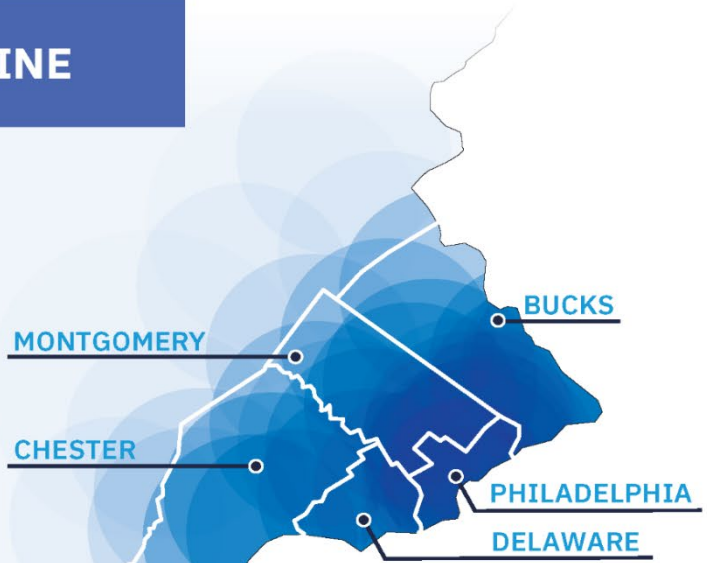
SEPTA'S STATEWIDE ECONOMIC BENEFITS
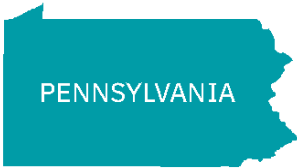
PENNSYLVANIA

Note: Economic impact numbers represent FY2023 - FY2027 AVERAGE ANNUAL

AVERAGE ANNUAL

$2.17B
DIRECT IMPACT

$4.09B
TOTAL ECONOMIC IMPACT

26,600
TOTAL JOBS

SEPTA IS AMONG THE 50 LARGEST EMPLOYERS IN THE COMMONWEALTH, EMPLOYING AS MANY PENNSYLVANIANS AS CVS AND ARAMARK.

SEPTA generates **$4 billion in annual statewide economic activity**. This total economic impact is based on SEPTA's combined operating expenditures and capital investments over the next five years. This economic impact will catalyze additional growth and development across Southeastern PA.

SEPTA BENEFITS PENNSYLVANIA BUSINESSES

SEPTA PROCUREMENT OF GOODS AND SERVICES SUPPORTS JOBS AND ECONOMIES ACROSS PENNSYLVANIA.

SEPTA continues to invest in Pennsylvania businesses. Over the past five years (2018-2022), SEPTA has issued a total of over **$1.15 billion in contracts** to PA companies, an average annual value of **$231 million** per year.

2018-2022

ERIE $448,463
WARREN $50,000
McKean
Potter
Tioga
Bradford
SUSQUEHANNA $4,746
Wayne
CRAWFORD $35,700
Venango
Forest
Elk
Cameron
Clinton
Lycoming
Sullivan
Wyoming
LACKAWANNA $121,431
Pike
MERCER $4,230
Clarion
JEFFERSON $1,448,898
CLEARFIELD $34,450
CENTRE $6,211,542
Union
Columbia
Montour
LUZERNE $7,463,389
MONROE $30,032
LAWRENCE $67,720
BUTLER $1,496,711
ARMSTRONG $6,901
Northumberland
Snyder
Schuylkill
CARBON $333,902
LEHIGH $4,932,593
NORTHAMPTON $75,884,698
BEAVER $1,006,790
INDIANA $106,529
CAMBRIA $3,490,545
BLAIR $4,696,210
Mifflin
Juniata
Perry
DAUPHIN $56,473,717
BERKS $10,939,475
BUCKS $126,425,007
ALLEGHENY $32,878,504
WESTMORELAND $2,796,472
HUNTINGDON $15,503
LEBANON $2,213,924
MONTGOMERY $135,440,235
WASHINGTON $9,316
CUMBERLAND $15,885,485
LANCASTER $13,784,571
CHESTER $105,524,566
Greene
FAYETTE $101,280
SOMERSET $2,698
BEDFORD $160,755
Fulton
FRANKLIN $223,470
ADAMS $91,610
YORK $1,082,325
DELAWARE $214,151,068
PHILADELPHIA $350,278,625

$10 MILLION AND ABOVE | $1 MILLION TO $10 MILLION | $500,000 TO $1 MILLION | $100,000 TO $500,000 | $0 TO $100,000 | NO PROCUREMENT

SEPTA BENEFITS THE ENVIRONMENT

SUSTAINABILITY IS THE LENS THROUGH WHICH SEPTA VIEWS ITS IMPACT ON THE REGION

and holds itself accountable to an economically prosperous, socially responsible, and environmentally sustainable future.

More than 20% of SEPTA's power comes from a solar farm in Franklin County and all of its trains, subways, and trolleys have been fully electrified for decades. Additionally, SEPTA is **committed to transitioning** from a hybrid bus fleet **to a fully zero-emission bus fleet**.

ELK HILL (FRANKLIN COUNTY)

SEPTA
FORWARD >>>

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March 2023

1. Strategic Plan and Organizational Structure

SEPTA Customer Satisfaction Survey Ratings

SEPTA conducted the 2022 Customer Satisfaction Survey from April 27, 2022, to August 22, 2022. A total of 1,482 riders completed the survey. Riders provided satisfaction ratings on a scale of 0 – 10 and could provide observations on up to 3 modes taken within the last thirty days prior to their interview. A total of 2,478 mode rating sets were collected.

SEPTA typically collects data for the Customer Satisfaction Survey every two years. Due to the COVID-19 pandemic and the survey methodology utilizing face-to-face interviews, the 2020 survey was cancelled. As such, the most recent prior year SEPTA conducted the Customer Satisfaction Survey was 2018. Data from 2018 and 2022 is presented below to track change over time.

In 2022, the average Overall Performance Satisfaction rating system-wide was 6.9. This is a decline from 2018's average of 7.3.
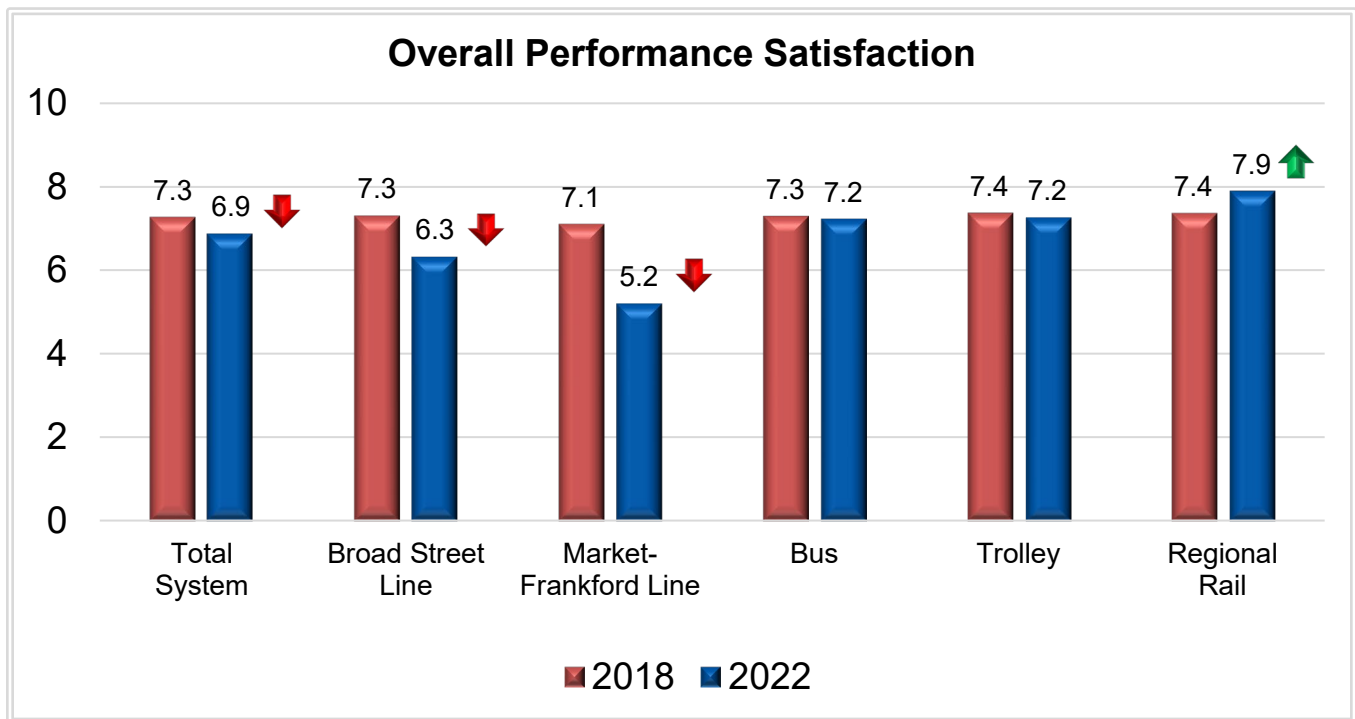
Note: *Green arrows illustrate a statistically significant increase from 2018 to 2022. Red arrows illustrate a statistically significant decline.*

While Bus and Trolley performance maintained at 2018 levels and satisfaction with Regional Rail increased, the Broad Street Line and Market-Frankford Line saw significant declines in customer satisfaction in 2022. Key areas driving dissatisfaction among subway/elevated riders are cleanliness and personal security (both onboard and at stations). Larger societal issues, such as the growing population of people experiencing homelessness, the opioid crisis, and rising crime in the city, are exacerbating existing challenges for the Metro Rail system. SEPTA management is responding by investing resources into SEPTA's Safety, Cleaning, Ownership, Partnership, and Engagement (SCOPE) program targeting improvements for subway/elevated service. For more information about SEPTA's SCOPE program, please view the program webpage at https://www5.septa.org/scope-program/.

1. Strategic Plan and Organizational Structure

SEPTA Passenger Demographics

The following charts serve to illustrate the demographic distribution of SEPTA ridership. This data was recorded and compiled as part of the 2018 and 2022 SEPTA Customer Satisfaction Survey.

Age of Adult Passengers

Age Group	2018	2022
18 to 24	14%	14%
25 to 34	27%	24%
35 to 44	20%	20%
45 to 54	18%	19%
55 to 64	15%	17%
65 to 74	5%	6%
75 or older	1%	1%

Ethnicity of Passengers

Ethnicity	2018	2022
African American	48%	54%
White	43%	35%
Hispanic	7%	8%
Asian	5%	5%
Other	2%	3%

Note: In the above chart, percentages total more than 100% as respondents were able to select multiple responses to this question. Green arrows illustrate a statistically significant increase from 2018 to 2022. Red arrows illustrate a statistically significant decline.

1. Strategic Plan and Organizational Structure
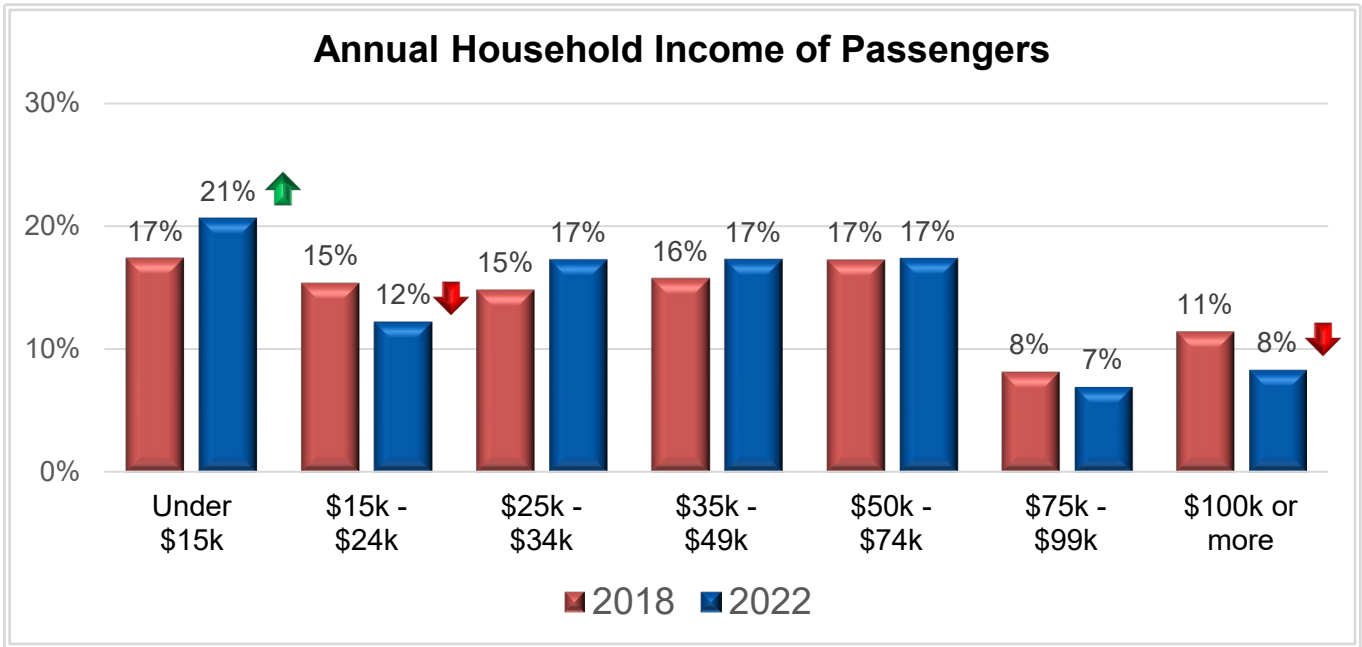
Annual Household Income of Passengers

Note: Green arrows illustrate a statistically significant increase from 2018 to 2022. Red arrows illustrate a statistically significant decline.
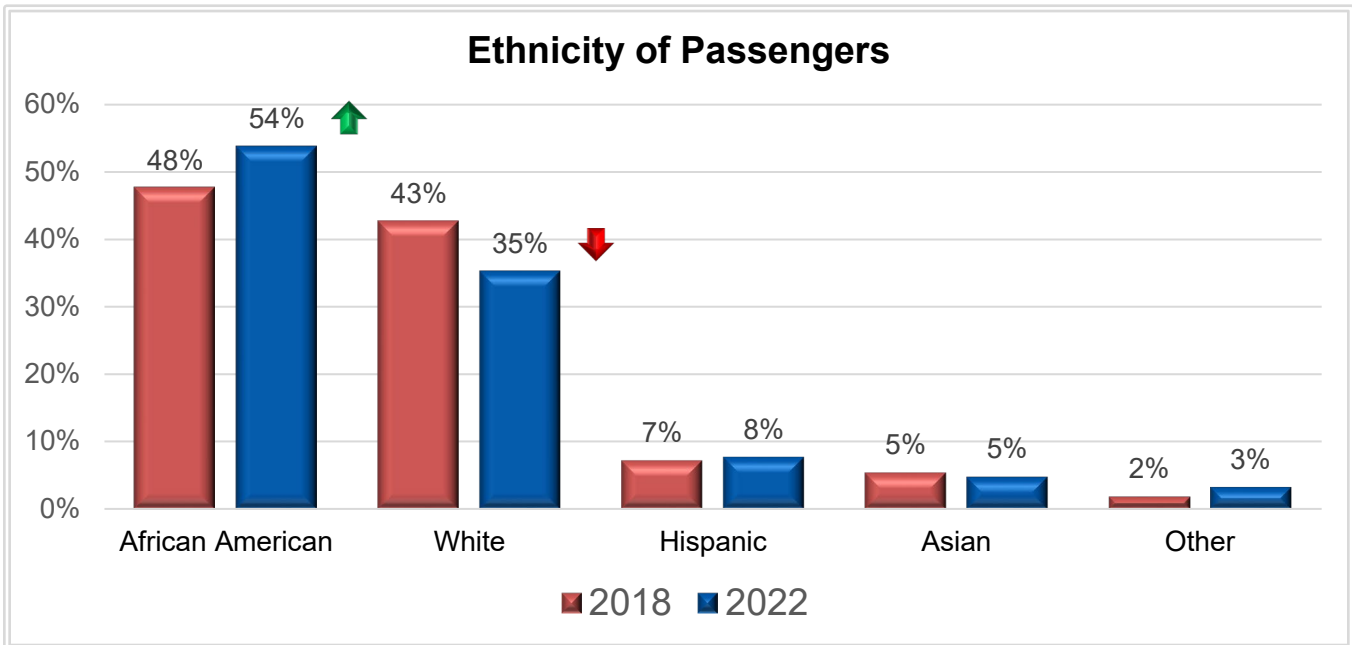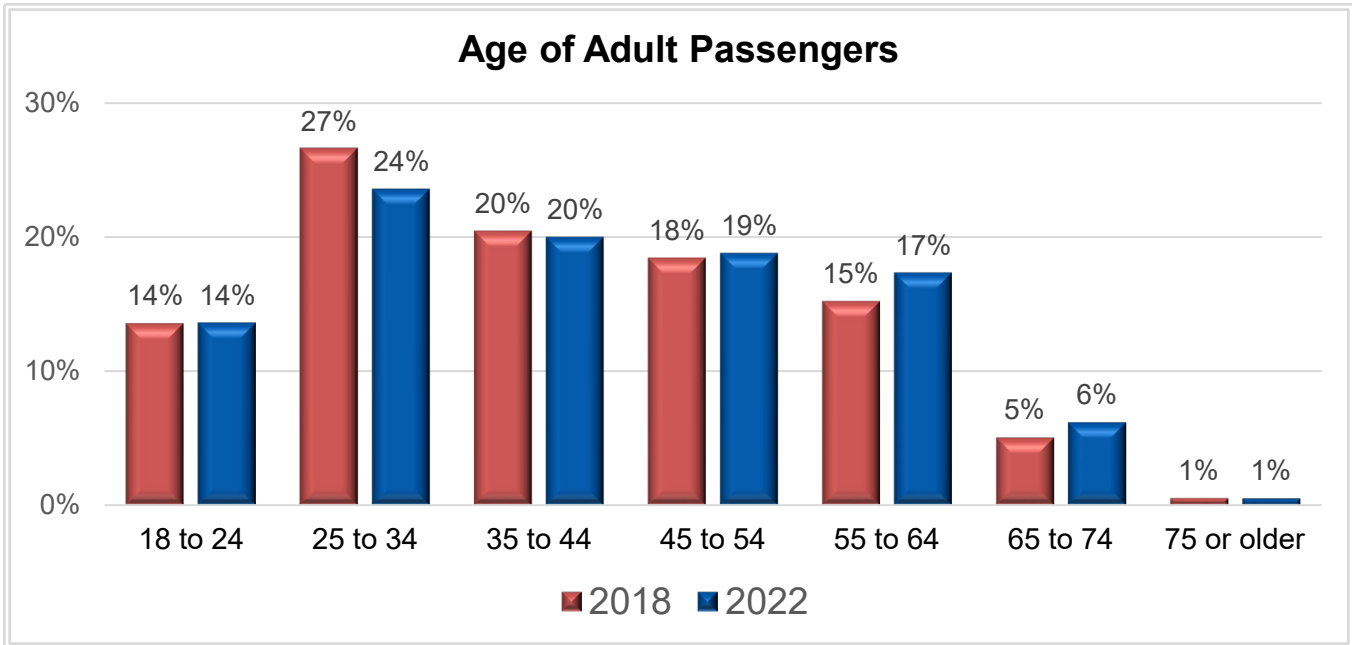
Gender of Passengers
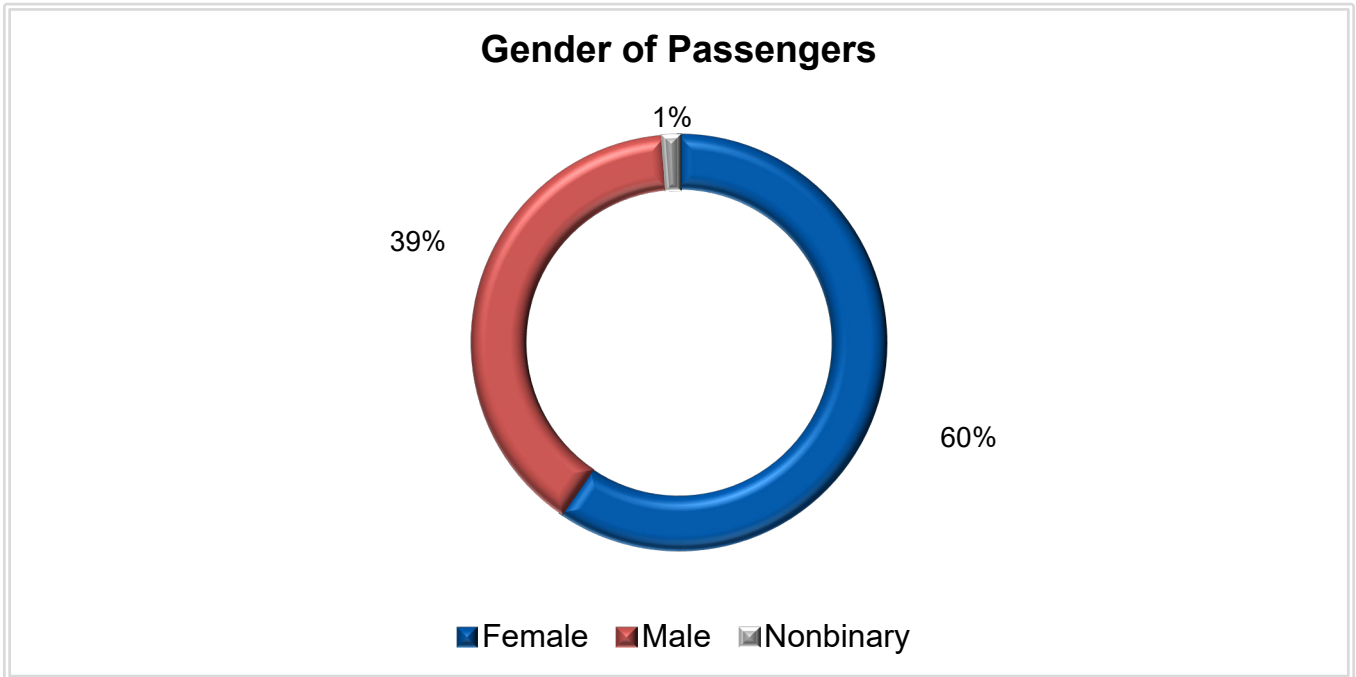
Note: In 2022, SEPTA changed gender categories adding an option for Nonbinary. As such, we are only illustrating 2022 data in this chart.

1. Strategic Plan and Organizational Structure

SEPTA FORWARD: A VISION FOR A STRONGER FUTURE
2021 – 2026 Strategic Plan
SEPTA Forward, our Strategic Plan published in February 2021, is the framework to transform our organization to support our region's recovery and foster a resilient, prosperous, and equitable future. It builds on SEPTA's mission by setting a clear vision for the future. The plan's goals and strategies constitute our organizational priorities and will act as the framework for our employees to develop the detailed programs, projects, and initiatives that will propel SEPTA, our communities, and our region forward. The full plan is available at planning.septa.org/.

OUR VISION

The Southeastern Pennsylvania region places transit at the core of a resilient, prosperous, and equitable community for everyone.

SEPTA is more than transit; it is the way we connect to each other.

SEPTA Forward is organized around three goals that work together to achieve our vision:

GOAL 1
Goal 1: Develop a Proactive Organization
We are an agile and responsive organization that makes the most effective use of our resources. We invest in our people and work to build a diverse, inclusive, and empowered workforce that takes pride in serving the people of Southeastern Pennsylvania.

GOAL 2
Goal 2: Provide an Intuitive Experience
Our system is easy-to-use for all, regardless of familiarity, language, or ability, welcoming riders from across the world. We provide convenient services and the right information, at the right time, for a smooth and enjoyable journey.

GOAL 3
Goal 3: Deliver a Seamless Transit Network
Our services work together, creating one unified, equitable network serving all types of trips, no matter where you are or what mo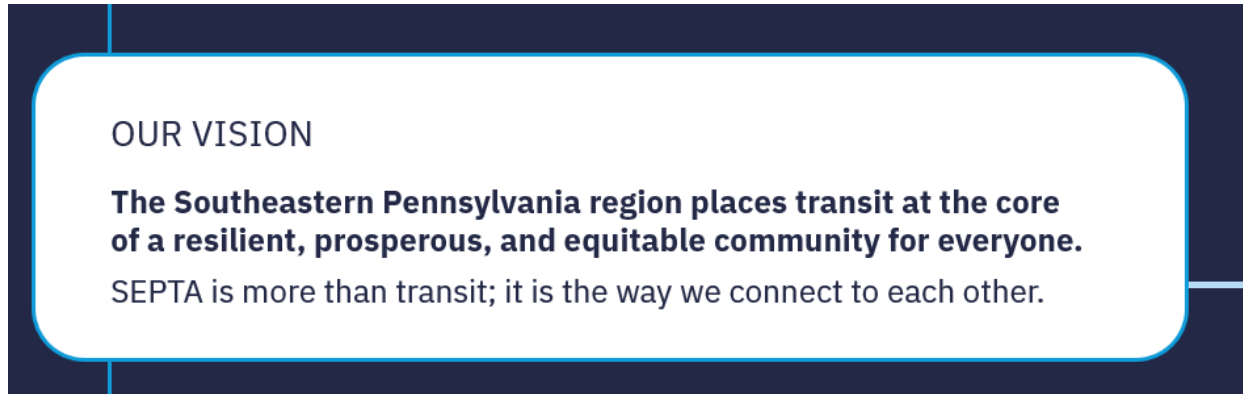de you choose. We anticipate changing needs and adapt services responsively to keep our region moving throughout the 21st century.

KEY PERFORMANCE INDICATORS: TRACKING OUR PROGRESS
In order to track our progress on this journey, we have established a set of organization-wide key performance indicators (KPIs) that are aligned with these goals. These KPIs will help to guide investment decisions, identify areas for improvements, and create accountability internally and externally. Teams across SEPTA track many different metrics related to their individual performance and efficiency, but these top-level KPIs indicate whether SEPTA is moving in the right direction to achieve our goals. If we are performing well against these metrics, we know that SEPTA is meeting our riders' needs, supporting our region's recovery and growth, and doing it efficiently.

Some KPIs are familiar to SEPTA, and many are new to us. We have selected KPIs that work together to show many different aspects of SEPTA. Crucially, they describe what we aspire to be, not just what is easy to measure. Building upon previous metrics we have published, they make it even easier for our customers, employees, and stakeholders to understand our organization and operations as a whole. Some metrics are tracked right now, with their latest values available in the table on the following page. Other metrics are being developing over time using a "maturity model" to guide our efforts. A maturity model has four stages that describe a business's evolution from an external perspective. We have

1. Strategic Plan and Organizational Structure

assigned each KPI to a stage of the maturity model based on the nature of the KPI and the resources necessary to bring it to fruition, including the potential need for large-scale investments such as a new customer relationship management platform. The four stages in the maturity model are:

Incremental: The first stage is the starting point for innovation. Focusing on the Incremental stage allows organizations to solidify the basic components of infrastructure, personnel, and operations. Completing this stage will make it possible to focus on becoming Distinctive.

Distinctive: When an organization develops beyond the Incremental stage, it may become better able to innovate around more complex variables that involve several business units. During this stage, an organization also develops and produces more forward-thinking ideas.

Radical: A Radical organization typically creates a significant shift within its industry. As a result, it can be seen from the outside as a forward-thinking organization. Within the Radical stage, decisions should be aligned with business and staffing impacts, customer satisfaction, and sustainability (both environmental and financial). Progressing through the Radical stage will effectively support innovation.

Disruptive: The Disruptive stage begins when an organization has successfully built its infrastructure, distinctively made an industry impact, and has grown to be seen as a prominent innovative organization. Within the maturity model, a truly disruptive organization makes the best possible decisions and leads its industry in key strategic areas.

Existing: Lastly, we have a stage for existing KPIs, which do not require a stage in the maturity model: they can be tracked right away against available baselines and already appear in SEPTA public reports. These KPIs will continue to guide critical decision-making and progress.

Each KPI is assigned to a particular stage. As we progress through each stage, we report the KPIs assigned to it while resourcing and building the KPIs for the next stage. Thus, we will be able to report upon additional KPIs as they become available, with new KPIs included in the Operating Budget each fiscal year. A more detailed description of each KPI is provided following the table. Regular updates are available at planning.septa.org/tracking-progress/ and in each year's Operating Budget.

SEPTA Key Performance Indicators

	KPI	Stage	Baseline, if Available	Current Value
Goal 1:	**Develop a Proactive Organization**			
	Operating Expense Per Passenger Trip	Existing	$6.28 (FY 2020)	$13.21 (November 2022)
	Passengers Per Revenue Vehicle Hour	Existing	41.0 (CY 2019)	17.2 (December 2022)
	Employee Lost-Time Due to Injuries Per 200,000 Work Hours	Existing	3.35 (FY 2020)	4.89 (CY 2022)
	Employee Engagement	Distinctive	41% report SEPTA has a positive culture (Spring 2020)	41% report SEPTA has a positive culture (Spring 2020)
	Pounds of CO2 Per Passenger Mile Traveled	Existing	0.775 (CO2 equivalents, FY 2020)	0.87 Lbs (FY2022)
	Economic Impact	Disruptive		
	Percent of Projects on Schedule	Incremental		
	Percent of Construction (Capital) Dollars Spent on Soft Costs	Incremental		

1. Strategic Plan and Organizational Structure

	KPI	Stage	Baseline, if Available	Current Value
Goal 2:	**Provide an Intuitive Experience**			
	Customer Experience Score	Radical		
	Customer Effort Score	Radical		
	Customer Engagement Score	Distinctive		
	Customer Attitude Score	Distinctive		
	Additional Time to Make Accessible Journeys	Radical		
	Daily Trips through Stations without Accessible Options	Incremental	34% of Rail Transit Trips (December 2021)	36.1% of Rail Transit Trips (December 2022)
	Rider Delay Minutes and Buffer Time	Distinctive		
	Contactless Trips	Incremental	8,141,827 SEPTA Key Transactions (December 2021)	8,741,153 SEPTA Key Transactions (December 2022)
Goal 3:	**Deliver a Seamless Transit Network**			
	Unlinked Trips Per Capita	Existing	54.06 (FY 2020)	45.25 (FY 2022 Q3 – FY 2023 Q2)
	Population Near Transit	Incremental	15-Min Transit Lines: 1.1 million All Transit Lines: 2.0 million (Fall 2021)	15-Min Transit Lines: 1.1 million All Transit Lines: 2.0 million (Summer 2022)
	Equitable Service	Distinctive	67.3% of the population served by SEPTA is of "below average" advantage according to DVRPC Indicators of Potential Disadvantage	68.9% of the population served by SEPTA's frequent network is of "below average" advantage (Summer 2022)
	Destinations Near Transit	Distinctive		
	Transit Travel Time Competitiveness	Disruptive	Transit is 2.71x slower to destinations on average (Summer 2021)	Transit is 2.73x slower to destinations on average (Summer 2022)
	On-Time Performance and Headway Adherence	Incremental	Bus: 76.1% City Trolley: 68.4% Suburban Trolley: 78.2% Regional Rail: 89.0% (December 2021)	Bus: 78.7% City Trolley: 71.8% Suburban Trolley: 83.4% Regional Rail: 87.0% (November 2022)
	Average Transfer Wait Time	Incremental		
	Average Vehicle Age by Mode	Existing	Regional Rail: 30.1 CCT: 3.3 Heavy Rail: 26.8 Bus: 8.3 Light Rail: 42.1 Trolleybus: 11.0 (CY 2019)	Regional Rail: 33.1 CCT: 6.1 Heavy Rail: 29.7 Bus: 8.6 Light Rail: 41.3 Trolleybus: 14.6 (December 2022)

1. Strategic Plan and Organizational Structure

Goal 1: Develop a Proactive Organization

Operating Expense Per Passenger Trip

Tracking overall operating expenses indexed to passenger trips provides insights into the efficiency of our efforts to provide service.

Passengers Per Revenue Vehicle Hour

The overall usage of our service compared to the amount of service we provide broadly indicates how effectively we are meeting the changing needs of our region.

Employee Lost-Time Due to Injuries Per 200,000 Work Hours

Safety is paramount in everything that we do. As we continue to be a proactive organization, we need to continue putting safety first.

Employee Engagement

Our people are essential to the success of our region – making sure that they are engaged in the work they do helps us to be the best SEPTA possible.

Pounds of CO2 Per Passenger Mile Traveled

While transit is inherently sustainable, tracking our own carbon footprint ensures that we are acting as good stewards of our resources.

Economic Impact

As SEPTA continues to drive the economy of Southeastern Pennsylvania, tracking the economic impact of our investments ensures that we continue to provide value.

Percent of Projects on Schedule

Delivering projects on-time is an important part of ensuring that our systems meet the changing needs of our region and keep cost in line with budget.

Percent of Construction (Capital) Dollars Spent on Soft Costs

Tracking soft costs (costs spent on administrative or professional services) as a percentage of overall project costs within the capital program ensures that spending is in line with industry standards to maximize the impact of the capital budget.

Goal 2: Provide an Intuitive Experience

Customer Experience Score

The Customer Experience Score measures how positive our customers' interactions with SEPTA are throughout their journeys, from planning their trip to arriving at their destinations. Tracking feedback from every stage of a trip can help us understand which parts of the experience are satisfying and which parts may need to be improved.

Customer Effort Score

If transit is difficult to use, our customers will turn to other options. Measuring the ease with which customers can find information and use the system can help us make their travels as smooth as possible – and ensure they choose SEPTA every time.

Customer Engagement Score

To better understand how our customers are interacting with us outside of their travels, we can track how people use our website, app, customer service centers, and other points of contact. This will help us provide the best tools to help our customers get around.

Customer Attitude Score

Listening to how customers feel about SEPTA as a brand can help us understand where we excel and where we can improve. Analyzing social media posts to and about us can let us respond to what our customers are thinking and feeling in real-time.

Additional Time to Make Accessible Journeys

If transit is not fully accessible, some riders may need to take longer trips in order to get to a destination. Measuring the impacts our infrastructure has on the way people make trips will help us prioritize projects based on the impact they have for riders. It also helps us more fully understand funding needs for vehicles and stations.

1. Strategic Plan and Organizational Structure

Daily Trips Through Stations Without Accessible Options
While we upgrade stations to improve access, we will continually analyze and evaluate ridership patterns to inform decisions. By measuring the number of trips that go through stations without accessible options, we can prioritize investments that can have the greatest benefit.

Rider Delay Minutes and Buffer Time
Service Delays – both at the start of a journey and the duration of their trip – can affect how willing people are to use transit. Tracking the additional time riders spend on their journey and how much extra time they allot to be sure to arrive on time can help us understand how reliable our services are. Many factors that affect this are outside of our direct control. We will coordinate closely with our partners at Amtrak and local communities across the region.

Contactless Trips
For our services to be easy-to-use and attractive to riders, paying for a trip should be seamless and require little more than a simple tap of a card or smartphone. Measuring the percentage of trips that use "contactless" payment methods can help us understand how easy this point of the journey is for riders.

Goal 3: Deliver a Seamless Transit Network

Unlinked Trips Per Capita
Aggregate measure of trips on transit compared to the total population of the region is an industry standard measure to determine what percentage of the region is using transit.

Population Near Transit
For transit to be seamlessly integrated into people's daily lives, it needs to serve where people live. We'll track the number of people that live within walking distance of frequent transit to ensure we are serving the region.

Equitable Service
Transit is an essential service that preserves access to opportunity in a growing region. We will use various sources, including census and survey data, to ensure that we are provide equitable service across the region with a particular focus on historically underserved communities. We'll work with our regional partners to develop new measures to effectively track our efforts.

Destinations Near Transit
Our services need to be where people want to go in order to be useful; tracking connection to transit for various destinations across the region will give us insights into how our service serves this function as we work to meet changing needs.

Transit Travel Time Competitiveness
Riders have an increasing number of choices to get around; a seamless transit network must provide a competitive travel time compared to vehicular travel, particularly in critical transportation corridors such as Chestnut Street or I-95.

On-Time Performance and Headway Adherence
Transit must work effectively and consistently in order to meet the needs of our region. For our riders to arrive on time, we must be on time.

Average Transfer Wait Time
Transfers connect our network together; shorter transfer wait times help riders use the entire network. The way we design and schedule services can support this.

Average Vehicle Age by Mode
As vehicles age, they require more maintenance to provide a safe and reliable trip. This can contribute to increased costs of providing service. Tracking the average age of our fleets helps us monitor and project fleet replacement needs and proactively plan for maintenance needs.

1. Strategic Plan and Organizational Structure

NOTABLE ACCOMPLISHMENTS FROM 2022

Goal 1: Develop a Proactive Organization

Continuing Commitment to Safety
- Over the past year, we continued to build on our nationally recognized **SCOPE (Safety, Cleaning, Ownership, Partnership and Engagement) Program**, with the development of initiatives, partnerships, and approaches to protect the safety of our customers and our employees as they ride the system and work in our facilities and on our property.

Strategically Deploying Resources
- Recruiting and retaining more SEPTA Transit Police – despite declining numbers nationally, SEPTA secured the **largest class of police recruits** in recent time, which will **boost our force by over 10%**
- **Enhancing student safety** by having our police board with groups of students, moving with them throughout the system
- Deploying **88 SEPTA Outreach Specialists** on Metro Rail trains and stations

Embracing Technology
- Promoting the **Transit Watch App** to customers and employees
- Piloting **Artificial Intelligence technology** to detect weapons in **300 stations and on platforms**
- **Virtual Patrol Center** began monitoring live-feed security cameras
- Equipping **over 260 custodians** with SEPTA cell phones to alert Transit Police

Expanding Outreach Approach
- Deploying eight contracted outreach teams throughout **22 Center City and hotspot stations** to engage the vulnerable population
- Engaging an **average of 3,500 individuals monthly who are guided off the system**
- Deploying **training tools on vulnerable population** to build employee awareness and capacity to support SCOPE's Plan program

Engaging Partners
- Collaborating with **Philadelphia Police, Center City District**, and **State Attorney General's Office** targeting violent crime in Center City along the MFL corridor
- STPD and SCOPE partners with **Philadelphia's Opioid Response Unit** to coordinate efforts across Metro Rail
- Mobilizing partnerships with **Drexel** and **Cabrini University Students** Health Navigators in Kensington and Center City and with **Philadelphia Center Against Sexual Violence** on outreach at Dilworth Plaza

Fostering an Inclusive Culture
- SEPTA has put into place groundbreaking programs to foster a **diverse, healthy, and vibrant workplace** to ensure an inclusive environment for all who work at and do business with SEPTA.
- The Authority created and filled a new role of **Chief Equity & Inclusion Officer** reporting directly to the CEO/General Manager.
- Following passage of the Bipartisan Infrastructure Law, SEPTA CEO and General Manager, Leslie Richards, joined several other transportation leaders to develop a set of principles and industry best practices that will guide how to contract on major infrastructure projects going forward. SEPTA was one of the first agencies to sign on to the **"Equity in Infrastructure Pledge,"** which will drive federal infrastructure funds to historically underutilized businesses to create generational wealth and reduce the racial wealth gap by creating more prime, joint venture and equity contracting opportunities.

1. Strategic Plan and Organizational Structure

Create Efficient Processes and Increase Accountability
- This year SEPTA augmented our supervisory, administrative and management (SAM) performance evaluation process by further **leveraging our Human Resources software**. The SAM performance evaluation process now includes feature-driven self-evaluation and cascading goals. We further advanced our **Integrated Reporting and Information System (IRIS) Program** in 2022 to transform our core administrative business processes. Among the enhancements, the go-live of IRIS now brings SEPTA a modern timekeeping system that will provide one place for employees to see their pay, track their time, and manage their benefits. IRIS is expected to go live in 2024.
- SEPTA takes seriously our obligation to responsibly manage our funding. That's why this year we established a **Transformation Office** to manage our **Efficiency and Accountability** efforts to reduce our financial gap and create a cultural shift needed to support lasting change. More than 1,000 SEPTA employees – mainly frontline and functional supervisory staff – evaluated all facets of our operation to determine what practices can be improved upon to operate more efficiently and enhance the employee and customer experience. Thanks to their innovative solutions, we have already realized $38.5 million in annual recurring benefits – over 35% of the plan's total estimated benefits.

Emphasizing Sustainability
- Last year, SEPTA began operations of its **second offsite solar farm**, more than doubling its solar power capacity and generating enough energy to meet about 20 percent of SEPTA's electricity demand.
- SEPTA also received more than $23 million in new funding from the Infrastructure Investment and Jobs Act. This will support our efforts to improve bus charging capacity as well as our **transition to zero-emission vehicles**.

Goal 2: Provide an Intuitive Experience

Embracing the Door-to-Door Experience
- SEPTA is working to make every stage of the journey simple and accessible for everyone – from planning a trip and getting to the station, to boarding and making a transfer. Vehicles should be **safe, clean, and modern and the journey should feel seamless**. To achieve this, we are establishing new ways of working together – internally, with our riders as well as our partners – sharing information and delivering solutions for our riders that cut across organizational boundaries.

Addressing Technology as 21st Century Infrastructure
- We responded to riders' expectations of helpful, user-friendly technologies on an interim basis by refreshing the design of our website to make it more mobile friendly. We've advanced work on the complete overhaul of the website, which will be introduced this spring. SEPTA also conducted focus groups to test out **new mobile app design concepts** now under development.

Designing for Users' Understanding and Experiences
- SEPTA finalized our **Wayfinding Master Plan** and progressed development of physical and digital strategies to improve navigability and enhance access to information. We've already put it into early action with new concourse signage and temporary construction site signage at various stations.

1. Strategic Plan and Organizational Structure

Integrate Trip Planning and Payment
- In December, SEPTA launched **"Key Tix,"** a mobile ticketing pilot program available within the SEPTA app for trips on buses, trolleys, the Broad Street Line, Market-Frankford Line, and Norristown High Speed Line. Key Tix was launched to the public on February 27, 2023. The program will expand to Regional Rail this year.
- We also laid the groundwork throughout the year so that we are able to accept contactless bankcards and credit cards for trips on buses, trolleys, the Broad Street Line, Market-Frankford Line, and Norristown High Speed Line in the first quarter of 2023. This feature will give riders the **capability to tap their personal bank/credit card or phone** with mobile payment services such as Apple Pay, Google Pay, and Samsung Pay.

Providing Accessibility for All
- In 2022, SEPTA committed funding to projects to make the Metro Rail system fully accessible by 2034 and received a $56 million grant to make the 11th Street subway station on the Market-Frankford Subway Line and the Chinatown, Erie, Fairmount Upper Level, Fairmount Lower Level and Snyder stations on the Broad Street Subway and Ridge-Spur Lines fully ADA accessible.
- We also released the Request for Proposals for modern, accessible trolleys to replace the entire existing fleet. And in the fall, we shared design concepts for new trolley stations, developed with input from more than 5,000 members of the public. SEPTA's Trolley Modernization Project will provide a fully accessible trolley system with new vehicles and stations built for universal access.

Goal 3: Deliver a Seamless Transit Network

Designing Services That Meet Changing Needs
- With years of declining ridership, buses running average speeds of under 12mph, and few of our high-ridership routes meeting our on-time performance standard, SEPTA last year launched the first comprehensive review of our bus routes since 1964, when the Authority was created.
- SEPTA's Bus Revolution Draft Network is the result of input, engagement, and listening – over the past year – from riders and potential riders, community members, residents, and others across the city about needed changes. The Team will conduct another round of public input sessions in March, when it releases the next version of the plan.

Simplifying and Supporting Transfers
- Transferring between services can be confusing, particularly for new riders or visitors. To help simplify transfers, we began a preliminary launch of our Wayfinding and signage program to help riders easily navigate from one service to the next.

Providing Reliable Transit Service
- Many factors impact SEPTA's ability to provide competitive and reliable service. SEPTA's Center City Transit Operations Plan identified speed and reliability issues for buses downtown and defined plans for a series of transit priority projects to address them.
- Also last year, SEPTA established our Transit Priority Program to advance projects and policies that support Bus Revolution by making our buses more frequent, fast, reliable, accessible, and comfortable across the region. In our 2023-2034 Capital Program, we dedicated $105 million to bus network enhancement projects over the next 12 years, including things like better bus stops, transit-only lanes, and new traffic signals that give transit riders priority at the intersection.

1. Strategic Plan and Organizational Structure

Prioritizing Space for Transit
- Last summer SEPTA created a mile-long red-painted bus lane on Chestnut Street from Broad to 2nd in partnership with the City of Philadelphia and PennDOT. Studies have shown that this approach has been effective in cutting down the number of cars and delivery trucks that block transit buses.

Developing a Unified Fare Policy
- SEPTA is continuing to evaluate our fare policy in a transparent way to prioritize equity and affordability and simplify the payment process.
- There were no fare increases in the FY2023 Operating Budget and riders still benefit from the fare adjustments enacted during the pandemic. We introduced SEPTA Key Advantage, allowing institutions to acquire SEPTA Key Cards directly and provide them at no cost to employees and students, enabling them to travel for free anytime on SEPTA. We've decreased select fares and created a One Day Neighborhood FleX Pass for riders traveling shorter distances on Regional Rail. In December, we launched SEPTA Key Tix, a mobile ticketing pilot program that offers riders an easy-to-use option to purchase fares for one or more people using a smartphone. Key Tix was launched to the public on February 27, 2023

Collaborating to Improve Access to Transit
- In April of 2022, SEPTA, State and Federal officials announced a collaboration on a $1 million project in Darby Borough to address safety issues with the only grade crossing in the nation where an active freight line crosses an active fixed-rail transit line. The project, which will be funded by federal dollars, will address the safety concerns at the crossing, which sees vehicular traffic from two roads, pedestrian traffic as well as a SEPTA trolley line crossing a major interstate freight line which operates throughout the day and night. The grade crossing was the subject of a two-phase study conducted by the Delaware Valley Regional Planning Commission (DVRPC) to address safety concerns.

Promote Transit Supportive Communities
- The Federal Transit Administration awarded SEPTA a $300,000 grant in December 2022, enabling the Authority to explore transit-oriented development along a nearly three-mile corridor in Darby and Yeadon boroughs in Delaware County. The study will also evaluate stop consolidation alternatives, station area urban design, develop street design concepts, evaluate intermodal connections, review flood mitigation and electrical infrastructure needs and prepare public outreach strategies. Additionally, the project proposes to evaluate the potential for extending SEPTA's route 102 Trolley Line to Darby Transportation Center.

1. Strategic Plan and Organizational Structure

DIVISIONAL STRUCTURE

The Pennsylvania General Assembly established SEPTA on February 18, 1964, to provide public transit services for Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties. Over the years, SEPTA acquired the assets of several private transportation operators to form four operating divisions. This distinction permits the efficient implementation of various collective bargaining agreements and the computation of local subsidies. Although the revenue and costs are logically accounted for separately, the operating and staff departments exist in a matrix structure and function as a cohesive unit beneath the following four broad operating divisions:

City Transit Division	Victory Division	Frontier Division	Regional Rail Division
78 Bus Routes	20 Bus Routes	25 Bus Routes	13 Regional Rail Lines
8 Metro Rail Lines	3 Metro Rail Lines		
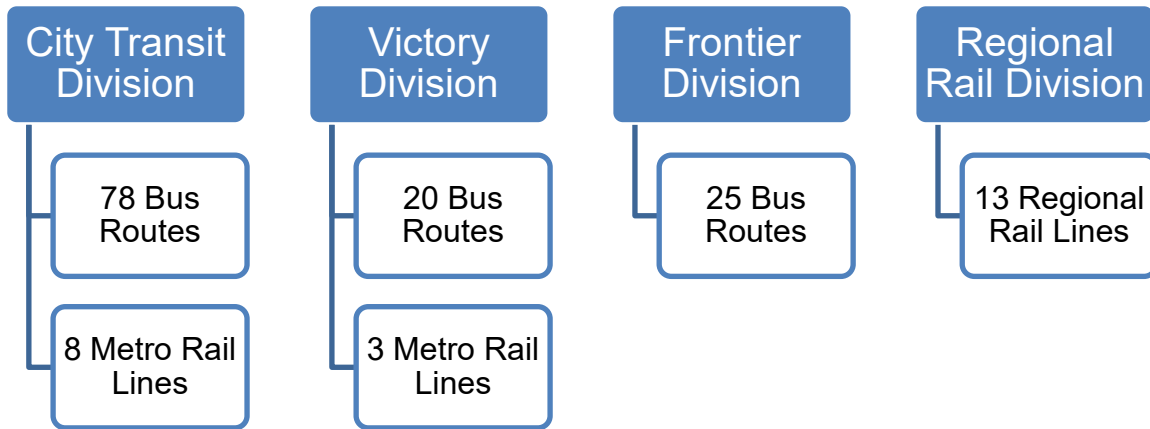
City Transit Division

SEPTA acquired the assets of the former Philadelphia Transportation Company in 1968, forming the current City Transit Division. The City Transit Division, which primarily serves the City of Philadelphia, operates 78 bus routes and 8 Metro Rail lines.

Victory Division

The Victory Division, formerly known as the Philadelphia Suburban Transportation Company, serves Chester, Delaware, and Montgomery Counties. Also known as Red Arrow until 1970, SEPTA's Victory Division is comprised of 20 bus routes and 3 Metro Rail lines.

Frontier Division

The Frontier Division consists of 25 bus routes serving Bucks, Chester, and Montgomery Counties. These routes formerly came under the auspices of several private operators including Schuylkill Valley Lines, which was acquired in 1976.

Regional Rail Division

The Regional Rail Division serves the City of Philadelphia, as well as Bucks, Chester, Delaware, and Montgomery Counties, with service to Newark, Delaware, and Trenton and West Trenton, New Jersey. The infrastructure and assets of Regional Rail were previously operated by the Pennsylvania and Reading Railroads. These Regional Rail lines were operated by Conrail from 1976 through 1982 and acquired by SEPTA in 1983.

1. Strategic Plan and Organizational Structure

SEPTA BOARD

SEPTA is governed by a Board consisting of fifteen Directors. The City of Philadelphia and the Counties of Bucks, Chester, Delaware, and Montgomery each appoint two members to the Board. The Pennsylvania Senate and House collectively appoint four members and the Governor of Pennsylvania appoints one representative.

Corporate Team Organization Chart
(To Chief Executive level)

SEPTA **Board Chairman** Pasquale Deon, Sr.	
Board Office	**Chief of Staff** Elizabeth Smith
Executive Office	**Chief Communications Officer** William Webster
	Chief Major Initiatives Officer* Richard Burnfield

Chief Equity and Inclusion Officer
Emmanuella Myrthil

Chief Operating Officer
Scott Sauer

Chief Financial Officer / Treasurer
Nikolaus Grieshaber

Chief Human Resources Officer
Stephanie Deiger

General Counsel*
Gino J. Benedetti, Esq.

Inspector General*
Denise Wolf

Chief Safety Officer
Ronald Keele

Chief Planning and Strategy Officer
Jody Holton

SEPTA
General Manager / Chief Executive Officer
Leslie Richards

*Dual report to Board Chairman

1. Strategic Plan and Organizational Structure

SEPTA'S CURRENT GOALS FOR 2023

Corporate Staff (Communications) CY 2023 Goals	Activities / Measures	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety	GOAL 1	GOAL 2	GOAL 3
1. Increase awareness and perception of SEPTA's proactive initiatives that are geared towards improving the customer experience – perceived commitment to safety, cleaning, service, advancement (SEPTA Forward initiatives)	• Press placement • Customer communications – signage, social media, website, printed materials • Materials to share with elected officials, advocacy groups, influencers	√			√			√		√		
2. Increase Employee Engagement – Re-evaluate BASCSC, improve reach of septanow.org; implement new technology formats	• Leverage new technology – video screens; tablets • Increase creation and use of video and live stream content (e.g., Living History series) • Improve advanced communication of activity plans and metrics	√			√					√		
3. Begin broad implementation of SEPTA's Wayfinding initiative across the system	• Continue internal information sharing/education • Finalize transition plans • Create public education communications plan • Establish full scope of production requirements						√	√		√		

1. Strategic Plan and Organizational Structure

| Corporate Staff (Communications) CY 2023 Goals cont. | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
4. Create and implement a plan to address key MFL/BSL customer complaint - smoking	• Assemble smoking task force • Create system smoking reduction plan • Implement plan				√	√	√					√
5. Improve Communications Division employee satisfaction (OHI and DEB Culture)	• Hold Regular division-wide team meetings • Launch Division recognition program • CCO Skip Level team meetings (Bagels with Bill) • Support Agency Mentoring Program	√	√							√		
6. Create and implement a plan to facilitate customer system navigation during significant planned detours	• Assemble planning task force • Identify key events that require significant detours • Develop communications plan – signage, customer service, websites, printed materials, social media, press • Implement plan in time for 2023 events	√			√		√			√		

1. Strategic Plan and Organizational Structure

Equity & Inclusion CY 2023 Goals	Activities / Measures	Partners								Corp Staff (Communications)	GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
1. Assess the DBE Organization												
2. Restructure the team for increased productivity/efficiency												
3. Create a robust outreach program												
4. Lead the DEB Council												
5. Create positions to stand up a cultural team												

1. Strategic Plan and Organizational Structure

| Finance CY 2023 Goals | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Corp Staff (Communications)	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
1. Implement organization-wide financial education program to increase financial awareness and strengthen stewardship of public funds	• Number of programs to increase financial awareness across organization • Number of customized user / customer education classes held	√	√	√	√	√	√	√	√	√	√	√
2. Re-establish policies, procedures, expectations, and partnerships to ensure financial control and sustainability. Progress funding plans for Projects of Significance.	• Number of revised and new financial policies, procedures, funding plans, etc. to improve financial stability both in near and long-term	√	√	√	√	√	√	√	√	√	√	√
3. Enhance Productivity, both within the Division and across the Organization	• Number of initiatives to support E&A Program and TO • Dollar amount achieved through asset recovery • Dollar amount achieved through SBE set-aside • Material availability and Inventory accuracy		√	√	√	√	√	√	√	√		
4. Partner on defining, developing, and deploying new technologies	• Number of meetings, activities in support of new technology implementation including INFOR/IRIS and Key 2.0				√					√	√	√

1. Strategic Plan and Organizational Structure

| Finance CY 2023 Goals cont. | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Corp Staff (Communications)	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
5. Progress Workforce Development efforts, including Succession Planning, Mentoring, Development Plans	• Number of programs to stimulate workforce development efforts • Number of staff/professional development courses • Number of cross-training and succession planning/ replacement planning sessions conducted	√								√	√	√
6. Ensure SEPTA fare policy and fare collection practices are secure, equitable, and sustainable	• Financial performance, public outreach, survey results	√	√							√	√	
7. Continue Commitment to Safety	Number of safety trainings • Maintain safety certifications for field personnel • Continue to explore funding opportunities to promote safety projects	√						√	√			

| Human Resources CY 2023 Goals | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Corp Staff (Communications)	Finance	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
1. Develop opportunities and programs that prioritize supportive leadership.	• Continue to develop employee programs that encourage diversity, equity, and belonging behaviors and values • Support SEPTA mentoring programs throughout the organization • Expand and improve the SAM promotional recognition event • Provide executive coaching services to leaders in HR and elsewhere in the organization • Use SF Performance Management system to improve working relationships between managers and their teams • Identify ways to bridge the gap between SEPTA work locations • Look for ways to create/support more entry level jobs • Identify programs that enhance and encourage employee well-being	√	√	√	√	√	√	√	√	√		

1. Strategic Plan and Organizational Structure

Human Resources CY 2023 Goals cont.	Activities / Measures	Partners								Goal 1	Goal 2	Goal 3
		Corp Staff (Communications)	Finance	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
1. cont.	• Create HR "internship program" to provide opportunities for SEPTA employees to move into roles in HR • Support the efforts of the Diversity, Equity, and Belonging Board and the Equity and Inclusion Division • Continue to assist and facilitate SEPTA's apprenticeship and internship programs for frontline workers	√	√	√	√	√	√	√	√	√		
2. Establish resources (people, technology, expertise) within HR to better meet the needs of SEPTA's employees.	• Improve the current performance management system • Implement Human Resources Dashboard and utilize to aid SEPTA to make well-reasoned decisions relating to its employee needs • Analyze and implement recommendations from the APTA peer review of HR practices • Improve the efficiency of HR processes	√	√	√	√	√	√	√	√	√		

1. Strategic Plan and Organizational Structure

Human Resources CY 2023 Goals cont.	Activities / Measures	Partners								Goal 1	Goal 2	Goal 3
		Corp Staff (Communications)	Finance	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
2. Cont.	• More effectively utilize external resources and partners to support hiring needs of the organization • Establish a robust training program for hiring managers/ interview panels • Negotiate collective bargaining agreements that address retention, attendance, and fiscal responsibility • Ensure that the new INFOR system makes it easier for employees to access and utilize benefits	√	√	√	√	√	√	√	√	√		
3. Consistently measure HR Metrics to track performance	• Refine HR data gathering and reporting processes • Develop baseline performance metrics to measure progress and accomplishments • Ensure key HR processes continue to effectively support the organization • Monitor performance of HR systems	√	√	√	√	√	√	√	√	√		

1. Strategic Plan and Organizational Structure

Human Resources CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy	System Safety			
4. Leverage data, technology, and resources to proactively assess and prioritize SEPTA's workforce needs to ensure the organization can fulfill its mission.	• Conduct 3 - 5 year forecasting of human resource needs based on future transit trends, unique SEPTA demographic information, and upcoming projects /needs • Explore opportunities to create new career paths • Continue to support the effective implementation of the IRIS project • Improve information gathering regarding employee attrition • Put programs in place to boost engineer promotion rate • Utilize technology to better support SEPTA's mission – LMS, digitization, and electronic record keeping • Implement new integrated Absence Management administrator	√	√	√	√	√	√	√	√	√		

1. Strategic Plan and Organizational Structure

Office of General Counsel CY 2023 Goals	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of IG	Operations	Planning & Strategy	System Safety			
1. Develop long term security operations monitoring and managed detection plan.	• Develop internal resources and partnerships • Increase the security posture of the organization by implementing policies, protocols, and education for access to SEPTA systems.	√	√			√						
2. Implement the enterprise resource systems	• HRIS, Benefits, Finance, Payroll, and Supply Chain Management. • Continue the effort for business process improvements and replacing existing legacy applications using the new platforms or other modern and secure alternatives.	√	√	√								
3. Develop periodic reports on selected KPIs.			√	√								
4. Review and improve internal processes.			√	√								
5. Provide support and guidance on significant transactions, projects and initiatives pursued by SEPTA.		√	√	√				√				

Office of General Counsel CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of IG	Operations	Planning & Strategy	System Safety			
6. Enhance the public facing technologies we offer.	• SEPTA website, Mobile Application, RTVL, and signage for both internal and external customers • Complete the new website platform and design for seamless and real time updates to the SEPTA website for customers and ensure ADA compliance.	√	√			√						
7. Manage significant litigation matters and report on status and decision points.		√	√	√				√				
8. Ensure and monitor compliance with laws, regulations, and policies.		√		√								
9. Establish process to improve internal and external communications.		√	√	√	√	√		√				
10. Develop and strengthen relationships with elected officials, staff, and stakeholders, and establish process to track requests, inquiries, complaints, response time, and results.		√	√	√	√	√		√				

1. Strategic Plan and Organizational Structure

Office of General Counsel CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of IG	Operations	Planning & Strategy	System Safety			
11. Align the Information Technology Department as business times.	• Partner to work with the business units on existing or new technology projects. This includes bringing in additional IT Resources through internal hires, staff augmentation, and consulting services with elected officials, staff, and stakeholders, and establish process to track requests, inquiries, complaints, response time, and results • Develop a formalized project intake process and prioritization matrix that clearly identifies projects currently in process, new projects, resources allocated, and delivery	√	√	√								

1. Strategic Plan and Organizational Structure

| Office of Inspector General CY 2023 Goals | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Operations	Planning & Strategy	System Safety			
1. Increase OIG visibility throughout the Authority to promote accessibility and deterrence.	• Conduct outreach explaining the overall mission of the OIG • Meet with business units where there are specific patterns of waste, abuse, misconduct, or illegal activity • Seek input from stakeholders regarding Audit Plan and other investigations	√	√	√	√	√	√	√	√	√		
2. Elevate the quality of the reports and writing overall among OIG staff	Seek opportunities for professional development and trainings for staff • Supervisors continue to take an active role in mentoring and editing written product			√						√		
3. Promote timeliness and productivity for investigations and audits	• Create objective measures for staff to reach ultimate productivity levels (e.g., in 2022-23, investigators, auditors, and compliance officers must complete 3-4 Reports of Investigations, Audits, and Reviews, respectively)	√	√	√	√	√	√	√	√	√		

1. Strategic Plan and Organizational Structure

Office of Inspector General CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Operations	Planning & Strategy	System Safety			
4. Enhance transparency and accountability overall within the OIG and SEPTA-wide	• Build and maintain an OIG webpage where information, news, and reports are published • Prepare for a Peer Review of OIG in 2024/2025 • Develop mechanisms to follow-up on recommendations to ensure stakeholders are implementing agreed-upon action plans • Implement more proactive investigations in areas where there are risks	√	√	√	√	√	√	√	√	√		
5. Integrate diversity, equity, and belonging practices into regular OIG work	• Democratize input solicitation for Audit Plan and reach all levels of employees throughout SEPTA • Make "Equity" a criterion for our Audit Risk Assessment • Consider "Equity" goals in hiring decisions • OIG report writing should be mindful of equity issues (e.g., gender pronouns)				√					√		

1. Strategic Plan and Organizational Structure

Operations CY 2023 Goals	Activities / Measures	Partners								Goal 1	Goal 2	Goal 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Planning & Strategy	System Safety			
1. Focus on safety and security as SEPTA's top priority. Only by moving beyond compliance to a committed, proactive culture where employees are both involved and empowered to not only raise safety concerns but mitigate them as well, can SEPTA become a world-class organization.	• Near misses • Injuries per 200k work hours • Transit worker assaults • Vehicle crashes per 100k miles • Signal violations • Derailments • Wrong-side door openings • Crime statistics • Administrative Enforcement Notices Issued • Customer feedback on safety and security			√		√		√	√	√	√	√
2. Frequent and reliable service is what will enable SEPTA to grow its ridership and provide the service needed in the region. Service must be delivered at the highest level and our fleet and infrastructure maintained in support of this goal.	• On time performance • Mean distance between failures • Mean time between failures • Fleet availability • Elevator/ escalator availability	√	√					√		√	√	√

1. Strategic Plan and Organizational Structure

Operations CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Planning & Strategy	System Safety	GOAL 1	GOAL 2	GOAL 3
3. SEPTA must be responsible with the resources that are entrusted to it by the people. Resources must be managed responsibly to ensure that there are adequate staff available; that budgets are maintained; and that SEPTA receives good value for the resources expended.	• Budget vs. actual performance – Headcount, Finance, Project-specific, Schedules (projects) • Recruitment/retention efforts • Effective overtime usage • Change order percentages		√	√		√				√	√	√
4. SEPTA must move further toward a customer-centric culture. The customer experience must be central to our decision-making. How we train our employees, design, and build our service, facilities, and vehicles, and make operational decisions must all begin and end with its impacts on the customer.	• Customer feedback • Ratio of commendations to complaints • Impacts to customers measured for service disruptions, planned work, etc. • Wayfinding	√	√	√		√	√	√	√	√	√	√

1. Strategic Plan and Organizational Structure

		Partners								GOAL 1	GOAL 2	GOAL 3
Planning & Strategy CY 2023 Goals	**Activities / Measures**	Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
1. Ensure that planning processes in SEPTA are transparent and engage internal and external stakeholders and focus on including diverse representation from across the region.	• Public meetings – virtual and in-person • Communications materials • Public surveys • Focus groups • In-reach at SEPTA locations for frontline employees • Internal multi-disciplinary stakeholder committees to support planning initiatives • Updates to planning.septa.org and transition of microsite to new septa.org page • Regular coordination with county and city planning and transportation agencies and Transportation Management Associations (TMAs) • Outreach to persons and organizations in allied fields, such as workforce and economic development	√	√			√		√		√		

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
1. cont.	• Enhanced relationships with PennDOT about service reliability on their network	√	√			√		√		√		
2. Advance implementation of the Transit Supportive Community Development program on and around SEPTA-owned properties to increase ridership, enhance SEPTA land value, further economic development in the region, promote equitable development, and ensure environmental sustainability.	• Develop TSCD station guidelines • Complete screening of SEPTA property for development potential • Identify and pursue Joint Development on SEPTA-owned properties • Support development adjacent to SEPTA properties by applying principles of the TSCD Guidelines • Support increased implementation by third parties of SEPTA design documents	√	√			√		√				√
3. Work closely with Finance, Government Affairs, and DVRPC to develop messaging, collateral, and legislative options for additional funding for SEPTA's Capital Program to fully fund the projects of significance.	• Updated SEPTA Economic Impact Report • Continue to identify funding options • Up-to-date funding and backlog comparisons with competitor regions/agencies		√			√		√		√		

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety	GOAL 1	GOAL 2	GOAL 3
3. Cont.	• Create specific messaging for different audiences - State Agencies/ Legislators, Federal/ Congressional, Local Counties and Advocate • Support iterations of the 20-year financial plan and communications											
4. Propose a new bus network for board adoption and identify implementation phasing for new schedules beginning in Fall 2023 with milestones for future schedule changes, Microtransit service roll-out, agreements or capital projects for new ends of line, and improvements to transit corridors that support the full implementation of the Bus Revolution network.	• New service standards and metrics/ procedures to evaluate the new network • New tariff process • Fall 2023 and subsequent schedule changes • Corridor/TSP studies completed or underway • Implementation of bus lanes and capital project list for transit priority and boarding platforms • Camera enforcement of transit priority • Implement the ZEB Playbook and account for new technologies as they arise • Microtransit Playbook	√	√			√		√		√	√	√

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
4. cont.	• Project development tasks for ends of line and TSP, such as environmental clearance, real estate agreements • Capital Project List and Program for Ends of Line	√	√			√		√		√	√	√
5. Release the Reimagining Regional Rail Master Plan and undertake implementation steps identified in the plan including feasibility studies, updated capital program descriptions, contribute to fare study analysis, short term schedule changes, and projections for labor needs.	• Concise vision summary document • Strategy for Regional Rail Fleet Procurement and funding for design • Implementation of schedule changes consistent with vision principles • Progress detailed feasibility studies of priority improvements (e.g., North Philadelphia) • Develop technical reports for discrete improvements (e.g., Clifton-Aldan Station and Trolley Modernization integration) • Coordinate with Training to develop labor projections and associated training strategy		√	√		√		√			√	√

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety	GOAL 1	GOAL 2	GOAL 3
5. cont.	• Update capital project priorities based on Asset Management Plan SGR needs and Reimagining Regional Rail vision.		√	√		√		√			√	√
6. Produce high quality, comprehensive data analysis to identify trends to adjust service, support other departments, develop Key Performance Indicators for SEPTA Forward, and provide accessible information for communications with internal and external audiences.	• Ridership data warehouse • Key data analysis • Supporting information for schedule/service changes • Use Replica to identify competitive markets for transit service • KPIs developed • GHG emissions • APC implementation and data analysis • Authority-wide adoption of Data Sharing Policy	√	√			√		√	√			

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
7. Progress Trolley Modernization planning work to evaluate alternatives and create clear plans for each route, including identification of station locations, end of line facility needs, and intersection improvements to support infrastructure requirements and safety/operational needs	• Real estate, planning, schedules • Identify preferred station locations for each route • Completed alternatives analysis for service and infrastructure at Darby TC and Route 34 end of line • Progress detailed studies and conceptual design of critical intersections/corridor sections in advance of further design, including transit priority strategy • Complete evaluation of federal funding strategies, including Core Capacity	√	√			√		√			√	√
8. Provide reliable, timely schedules and service plans for SEPTA Bus, Trackless Trolley, and Metro modes.	• Three schedule changes per year, plus supplemental schedules as needed, including support for major capital projects • Work with Operations regularly to identify issues • Neighborhood Maps for Project Metro	√	√			√		√			√	√

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
8. cont.	• Work with Finance and Operations to prioritize minimizing runs or overtime in schedules • Coordinate with Union leadership prior to and post schedule changes • Schedule templates for Project Metro and Bus Revolution • Other supporting service communications materials for Project Metro/Bus Revolution	√	√			√		√			√	√
9. Lead a multi-disciplinary effort to update SEPTA's Sustainability Plan establishing new goals and metrics that institutionalize sustainability practices across the organization, identify opportunities to implement resource conservation initiatives, and utilize the energy data management system and other tools to track our progress.	• Meet milestones in the scope for the Sustainability Plan • Include many departments, internal and external stakeholders in the plan process • Review designs for capital projects for opportunities to include renewable energy, low energy, stormwater management, waste management, micromobility and other sustainability elements	√	√			√		√		√	√	

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
9. cont.	• Work with Communications to routinely highlight SEPTA's sustainability efforts and accomplishments • Work closely with Finance to continue to grow SEPTA's renewable energy portfolio. • Work closely with B&B and MOW to identify opportunities for naturalizing landscapes for native species and invasives control, BMPs for Stormwater Management, green/blue roofs, and solar installations.	√	√			√		√		√	√	
10. Continue proactively facilitating Real Estate transactions – acquisitions, development, management of agreements (e.g., utilities, retail, and telecom), leasing, and sale of SEPTA-owned properties, while exploring opportunities to monetize property assets	• Regular coordination with the Legal Dept. and Right-of-Entry Process Team • Timely lease invoicing and resolution of conflicts • Identity potential revenue-generating activities associated with real estate assets	√	√			√		√			√	√

1. Strategic Plan and Organizational Structure

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
10. cont.	• Internal coordination of all potential property acquisitions for the Authority • Develop and implement a comprehensive inventory of all real estate assets leased and owned • Work with Records Management to Preserve SEPTA's historical property records	√	√			√	√				√	√
11. Invest in and develop staff professionally with skill sets to improve planning processes and projects to become industry leading experts and provide an opportunity for other departments to make a business case for innovative ideas by developing a pilot program within the Office of Innovation.	• Conference attendance and presentations • Articles • Professional development organizations and memberships (WIT, APA, APTA, Mpact, etc.) • Trainings • Professional book club/ readings • Mentor/mentee relationships • Information sharing/best practice exchanges with peer agencies • TRB webinars and training • Develop program that supports piloting new technologies		√					√				

Planning & Strategy CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	System Safety			
11. cont.	• Hire Innovation Project Manager • Execute 2 pilots by end of FY 2024 • Engage with other Transit Authority Innovation programs to share best practices • Develop key partnerships with organizations in the region to expand impact of innovation		√					√		√		
12. Collaborate with the Capital Planning Committee to ensure a transparent project development process that improves internal and external stakeholder engagement and utilizes data and analysis tools to prioritize investments, while advancing project development	• Complete modified zero-based Capital Budget based on Asset Management Plan and network planning efforts • Clearly identify priority projects and funding needs to implement network plans based on internal and external stakeholder feedback • Support project scoping efforts through active participation in analysis of alternatives • Collaborate with internal and external stakeholders to ensure projects incorporate various perspectives and requirements		√			√	√			√		√

1. Strategic Plan and Organizational Structure

System Safety CY 2023 Goals	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy			
1. Establish a stronger organizational safety culture.	• Maintain the Organizational Safety Improvement Council • Establish an attitude based safety workshops for employees • System Safety will continue to implement process audits of other divisions' safety-critical functions • Each Division to establish a formalized audit/quality-control process to evaluate their own safety /process compliance • Evaluate Enterprise Safety Management Software Applications • Publish Monthly KPI report cards • Interface Asset Management with Safety • Conduct an employee Safety Culture Survey	√	√	√		√		√	√	√	√	√

1. Strategic Plan and Organizational Structure

System Safety CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy			
2. Progress Workforce Development Efforts	• Support the Organization Safety Improvement Council (OSIC) and associated working groups • Cross-train Staff to expand their safety knowledge • Expose staff to collaborative team initiatives outside of their safety responsibilities (e.g., DEB, BASCSC, WIT) • Provide Leadership Development Training to staff • Provide opportunities for staff to obtain industry certifications (CSP, CIH, etc.) • Incorporate succession planning and mentoring opportunities for staff.			√				√		√	√	
3. Work Collaboratively inside and outside the Division to be more efficient and responsible in how we do business.	• Support the Authority's Accountability and Efficiency Program • Provide realistic deadlines and hold staff accountable when deadlines are not met		√							√	√	

1. Strategic Plan and Organizational Structure

| System Safety CY 2023 Goals cont. | Activities / Measures | Partners | | | | | | | | GOAL 1 | GOAL 2 | GOAL 3 |
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy			
3. Cont.	• Challenge each staff member to take one existing process in each of the 4 safety groups and streamline/ enhance the process to be more efficient and cost effective.		√							√	√	
4. Support the Authority's Mission of a Diverse and Inclusive Organization	• Support the DEB Council efforts • Continue to develop a highly talented, competent and diverse staff • Have staff attend at least one learning management training course that focuses on Diversity and Inclusion.				√					√	√	
5. Develop and publish SEPTA's updated Sustainability Program.	• Support SEPTA's Energy Management Program by helping reduce carbon emissions and waste generation • Support the ESMS program by maintaining the ISO 14001 certification at Berridge and Wayne, and expanding the ESMS practices at other facilities and in our Sub/El stations	√				√	√	√		√	√	√

System Safety CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy			
5. Cont.	• Support the development of SEPTA's updated Sustainability Plan • Reduce chemical inventory and improve chemical management by working on chemical procurements, SDS management and compliant waste disposal processes	√				√		√	√	√	√	√
6. Support the Authority's efforts to restore ridership levels.	• Continue to support the Authority's efforts for a cleaner riding environment by supporting our bus and air purification efforts and our Drexel Partnership • Support SEPTA's efforts on absenteeism by reducing loss time injuries and vehicle accidents by 5% • Support SEPTA's Bus Revolution program • Support SEPTA's M5 Specification development • Support SEPTA's Vehicle Overhaul program by conducting joint audits of SEPTA's VOH program on various rail fleets			√		√		√	√	√		√

1. Strategic Plan and Organizational Structure

System Safety CY 2023 Goals cont.	Activities / Measures	Partners								GOAL 1	GOAL 2	GOAL 3
		Corp Staff (Communications)	Finance	Human Resources	Office of Equity & Inclusion	Office of GC	Office of IG	Operations	Planning & Strategy			
6. cont.	• Support SEPTA's Trolley Modernization program including vehicle specification development and new facility real estate acquisition • Support SEPTA's SCOPE program focusing on the impacts created by the vulnerable population.			√		√		√	√	√		√
7. Facilitate programs and events to enhance the customer experience.	• Support SEPTA's Ambassador Program for major events • Implement Safety Campaigns for our external stakeholders (e.g., Fire Prevention, Operation Lifesaver, Station Safety Blitzes, Community Expos, etc.)	√				√		√	√	√	√	√

SEPTA Transit Network
Philadelphia & Vicinity
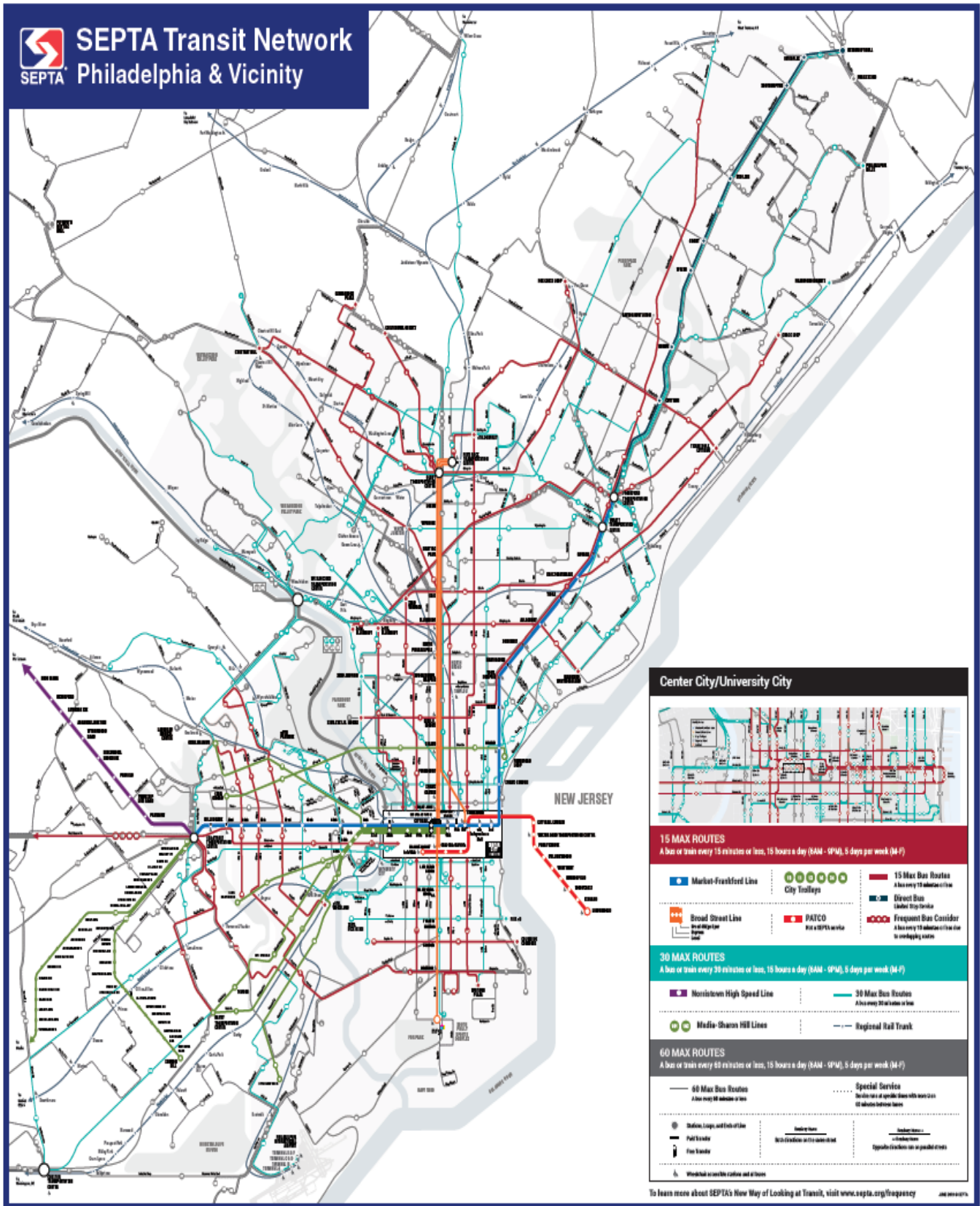
OVERVIEW

SEPTA's Operating Budget is developed over an eight-month period that is comprised of three phases:

- 1) Budget Proposal Development
- 2) Public Comment & Adoption
- 3) Final Budget

BUDGET PROPOSAL DEVELOPMENT

The proposal phase begins in November with alignment around Strategic Plan goals and priorities to drive the budget development process. A kickoff meeting is held, and priorities are communicated to the organization through budget liaisons within each department.

In December and January, meetings are conducted with each department to review current-year budget variances and to discuss new budget requests for the upcoming fiscal year. The discussions emphasize the importance of aligning new budget requests to corporate goals and strategic priorities.

Also in January, anticipated service levels for each mode (Bus, Metro Rail, and Regional Rail) are established for the upcoming fiscal year to determine budgets for service-driven operating accounts, such as transportation labor, vehicle maintenance, fuel, propulsion power, and purchased transportation. Forecasts are also developed at this time for other accounts such as fringe benefit expenses and insurance.

In February, revenue and subsidy budgets developed based on current-year forecasts and projections for the upcoming fiscal year. Passenger revenue, other income-generating accounts such as advertising and investments are considered during this process, as are lease, debt, service, and subsidy requirements from federal, state, and local funding entities. Then in March, a draft budget proposal is assembled containing the cumulative results of the expense, revenue, and subsidy budgets developed the during preceding months.

In April, this proposal is vetted and published at *planning.septa.org* along with public hearing notices posted on the website, in various media outlets, and shared with stakeholder groups across the region. The proposal is published at least 30 days before the scheduling of public hearings, which are held in May to solicit public comment on the document.

Public Comment & Adoption

The budget proposal is published in April with a recording of testimony that will be presented at the public hearings to be held virtually over two days in late May. The public is invited to review the budget proposal and testimony, and provide comments to SEPTA in any of the following formats: 1) live during the public hearing, if capacity allows (sign language interpreters are available); 2) by phone (with English, Spanish, and Mandarin options provided); 3) by email to *operatingbudget@septa.org*; and/or 4) by U.S. mail to Director of Operating Budgets, 1234 Market Street, 9th Floor, Philadelphia, PA 19104.

The public hearings are conducted by an independent hearing examiner, who is appointed by the SEPTA Board Chairman to preside over the budget's public comment period. The hearing examiner issues a formal report to the SEPTA Board containing recommendations that result from the review of SEPTA's budget proposal, testimony, and comments received during the public hearing process. The hearing examiner's report is issued to the SEPTA Board in early June, in advance of the Board's formal consideration of the budget proposal at its June Board Meeting.

Final Budget

Following SEPTA Board approval at the June Board Meeting, Final Authorization Letters are distributed to each department detailing their authorized headcount, labor, and material for the upcoming fiscal year. The Letters contain a comparison of the differences between the current and upcoming fiscal year.

2. The Budget Process

After the fiscal year ends on June 30, the budget proposal is updated to include the actual financial results for the preceding fiscal year. The budget document is also updated with any changes that occurred between the publication of the budget proposal in April and the publication of the final budget, which is posted to planning.septa.org in August.

(Any mid-year budget amendments are subject to this same process.)

The Budget Process at a Glance

Budget Proposal
- November: Corporate Goals & Strategic Priorities Established
- December/January: Departmental Meetings Held & Budgets Developed
- January: Service Levels & Non-Departmental Budgets Developed
- February: Revenue, Subsidy, Debt Service & Lease Cost Budgets & Requirements Developed
- March: Internal Budget Proposal Review Conducted
- April: Budget Proposal Published at *planning.septa.org*

Public Comment & Adoption
- April: 30 Day Public Comment Period Commences after Proposal Published
- May: Public Hearings Held In-Person & Virtually Over Two Days
- Early June: Hearing Examiner's Report Issued to SEPTA Board
- Late June: SEPTA Board Considers Budget Proposal for Adoption
- Late June: SEPTA Board Approves Budget at June Board Meeting

Final Budget
- Early July: Final Authorization Letters Distributed Detailing Headcount, Labor, and Material Budgets for Each Department
- Late July: Final Fiscal Year-End Results Incorporated into Final Budget
- August: Final Budget Published

2. The Budget Process

FISCAL YEAR CALENDAR
JULY 1, 2023 THROUGH JUNE 30, 2024

JULY 2023

S	M	T	W	Th	F	S	DAYS
						1	CUM
2	3	4	5	6	7	8	29
9	10	11	12	13	14	15	29
16	17	18	19	20	21	22	
23	24	25	26	27	28	29	

AUGUST 2023

S	M	T	W	Th	F	S	DAYS
30	31	1	2	3	4	5	
6	7	8	9	10	11	12	35
13	14	15	16	17	18	19	64
20	21	22	23	24	25	26	
27	28	29	30	31	1	2	

SEPTEMBER 2023

S	M	T	W	Th	F	S	DAYS
3	4	5	6	7	8	9	
10	11	12	13	14	15	16	28
17	18	19	20	21	22	23	92
24	25	26	27	28	29	30	

OCTOBER 2023

S	M	T	W	Th	F	S	DAYS
1	2	3	4	5	6	7	
8	9	10	11	12	13	14	28
15	16	17	18	19	20	21	120
22	23	24	25	26	27	28	

NOVEMBER 2023

S	M	T	W	Th	F	S	DAYS
29	30	31	1	2	3	4	
5	6	7	8	9	10	11	35
12	13	14	15	16	17	18	155
19	20	21	22	23	24	25	
26	27	28	29	30	1	2	

DECEMBER 2023

S	M	T	W	Th	F	S	DAYS
3	4	5	6	7	8	9	
10	11	12	13	14	15	16	28
17	18	19	20	21	22	23	183
24	25	26	27	28	29	30	

JANUARY 2024

S	M	T	W	Th	F	S	DAYS
31	1	2	3	4	5	6	CUM
7	8	9	10	11	12	13	28
14	15	16	17	18	19	20	211
21	22	23	24	25	26	27	

FEBRUARY 2024

S	M	T	W	Th	F	S	DAYS
28	29	30	31	1	2	3	
4	5	6	7	8	9	10	28
11	12	13	14	15	16	17	239
18	19	20	21	22	23	24	

MARCH 2024

S	M	T	W	Th	F	S	DAYS
25	26	27	28	29	1	2	
3	4	5	6	7	8	9	35
10	11	12	13	14	15	16	274
17	18	19	20	21	22	23	
24	25	26	27	28	29	30	

APRIL 2024

S	M	T	W	Th	F	S	DAYS
31	1	2	3	4	5	6	
7	8	9	10	11	12	13	28
14	15	16	17	18	19	20	302
21	22	23	24	25	26	27	

MAY 2024

S	M	T	W	Th	F	S	DAYS
28	29	30	1	2	3	4	
5	6	7	8	9	10	11	35
12	13	14	15	16	17	18	337
19	20	21	22	23	24	25	
26	27	28	29	30	31	1	

JUNE 2024

S	M	T	W	Th	F	S	DAYS
2	3	4	5	6	7	8	
9	10	11	12	13	14	15	29
16	17	18	19	20	21	22	366
23	24	25	26	27	28	29	
30							

ASSUMPTIONS – SERVICE, FARES & REVENUE

	FY2024 BUDGET	FY2025-FY2029 PROJECTIONS
SERVICE	- Transit: 96% of Pre-COVID (Bus, Metro Rail, Regional Rail) - Regional Rail: 77% of Pre-COVID	

FARES	- As recommended by the Pennsylvania Transportation Funding and Reform Commission in 2006, the Authority has implemented a program of periodic fare adjustments. The goal is to grow passenger revenue at a modest level to keep pace with the rate of inflation. SEPTA increased fares in FY2011, FY2014, and most recently in FY2018. The fare increase scheduled in FY2021 was deferred indefinitely due to the onset of COVID-19. As a result of the economic hardship imposed by the pandemic, fare saving initiatives have been implemented in FY2021 and FY2023 to make travel more affordable and flexible. Two additional fare saving initiatives are proposed for FY2024. Below is a summary of these enhancements:
	
	- Implemented in FY2021:
	   o First transfer cost eliminated from $1.00 to free
	   o Extended transfer eligibility period from 90 to 120 minutes
	   o Increased child ride free eligibility age from under age 5 to 12
	   o Introduced discount three-day pass products
	- Implemented in FY2023
	   o Lowered day pass pricing
	   o Lowered select Key Card rates
	   o Introduced lower rail zone day pass for travel to city stations
	- Proposed for FY2024
	   o Second transfer cost eliminated from $1.00 to free
	   o Adding Regional Rail travel to 24 city stations using a transit TransPass product at existing rate
	
	- The objective of the fare saving initiatives proposed in 2023 is to offer new and existing transit customers the ability to transfer freely and use Regional Rail providing a more seamless travel network. For Regional Rail customers, the change lowers the Zone 1 TrailPass price by $2.75 for a weekly and $9.00 for a monthly enhancing customer savings. The fare initiatives will support strategic goals associated with the Bus Revolution and Reimagining Regional Rail projects.	

REVENUE	- 12.5% increase in total revenue from FY2023 budget (69% of pre-COVID), driven by 5.7% increase in fixed-route passenger revenue, full funding of SEPTA's Shared Ride Program, and a significant increase in Investment Income associated with interest rate growth - Passenger revenue budgets based on the following linked passenger trips: Fixed Route – 123,341,000; Shared Ride – 355,323; ADA City – 318,059; ADA Suburban – 217,278	- Annualized growth of 5.0% for fixed-route passenger revenue, reflecting a gradual return of ridership, 1.0% for Shared Ride passenger revenue and Other Income, and -1.0% for Investment Income. - Total revenue to reach 84% of pre-COVID by FY2029 - Passenger revenue to reach 78% of pre-COVID by FY2029

ASSUMPTIONS – EXPENSES & SUBSIDIES

		FY2024 BUDGET	FY2025-FY2029 PROJECTIONS
EXPENSES	**TOTAL**	- 4.7% increase from FY2023 budget	- Annualized growth of 2.1%
	LABOR & FRINGE	- 4.9% increase from FY2023 budget, driven by wage adjustments and contractual labor agreements, offset by a historically high number of vacancies as a share of budgeted headcount	- Annualized growth of 2.6%, driven by contractual labor agreements and gradual filling of historically high number of vacancies
	MATERIALS & SERVICES	- 4.4% increase from FY2023 budget, driven by continued inflationary impacts on materials and supplies, increasingly expensive Amtrak lease obligations, and continued ridership recovery on CCT paratransit	- Annualized growth of 1.0%, driven by expectation that the current inflationary cycle will abate, and that cost-saving measures associated with SEPTA's Efficiency & Accountability Program will continue to be implemented
	INJURY & DAMAGE CLAIMS	- 1.6% reduction from FY2023 budget, driven by the strategic clearing of a backlog of claims from the COVID-19 pandemic	- Annualized reduction of 1.0%, driven by expectation that a COVID-related backlog of claims will abate, and claims expense will continue to modestly decline from their FY2023 peak
	PROPULSION POWER	- 15.0% increase from FY2023 budget, driven by rapid increases in electricity commodity supply prices, an increase offset in part by savings from implementation of Sustainability Program initiatives such as Solar PV and Energy Conservation Measures	- Annualized reduction of 1.0% in FY2025 and FY2026, driven by expectation that the spike in global commodity markets will abate and implementation of Sustainability Program initiatives to reduce electricity consumption and cost will continue; then flat for FY2027; then a 1 percentage point rate increase per year in FY2028 and FY2029 to account for the anticipated acquisition of zero-emission buses
	FUEL	- 0.6% reduction from FY2023 budget, driven by the gradual decline in fuel prices from their FY2023 peak, and by savings from implementation of Sustainability Program initiatives, such as new Hybrid-Electric Buses and Efficiency & Accountability Program Initiatives, such as eco-mode features on Bus and Rail Fleets	- Annualized reduction of 1.0% in FY2025 and FY2026, driven by an expectation that the spike in global commodity markets will abate and that continued Implementation of Sustainability Program and Efficiency & Accountability Program Initiatives will reduce fuel consumption and cost; then an additional 1 percentage point decrease per year in FY2027, FY2028 and FY2029 to account for the anticipated acquisition of zero-emission buses

		FY2024 BUDGET	**FY2025-FY2029 PROJECTIONS**
EXPENSES (CONTINUED)	**VEHICLE & FACILITY RENTAL**	- 42.3% decrease from FY2023, driven by acquisition of SEPTA's centralized storeroom, reduction in rental fleet usage, and capitalization of certain software expenses	- Annualized reduction of 1.0%, driven by implementation of cost-saving measures associated with Efficiency & Accountability Program initiatives to reduce rental expenses
	DEPRECIATION/ CONTRIBUTED CAPITAL	- 10.1% increase from FY2023	- Annualized growth of 3.0%
SUBSIDIES (PLEASE REFER TO THE "SUBSIDY ALLOCATION & DETAIL" SECTION FOR MORE INFORMATION)	**FEDERAL**	- $289.4 million in the last of SEPTA's one-time non-recurring COVID Relief from the American Recovery Plan (ARP) Act, plus additional support for capital leases, debt service, and highway pass-through funds	- COVID Relief from ARP fully exhausted by the end of FY2024, with support for capital leases, debt service subsidy, and highway pass-through funds continuing thereafter
	STATE	- Formula-based Operating Assistance from Section 1513 of the Pennsylvania Public Transportation Trust Fund totaling $806.8 million, plus additional support for capital leases and debt service	- Ongoing formula-based Operating Assistance from Section 1513 and ongoing support for capital leases and debt service
	LOCAL	- Local match of 15% on State Section 1513 operating assistance totaling $121.0 million, plus additional matching support for capital leases and debt service subsidy	- Ongoing local match of 15% on State Section 1513 and additional matching support for capital leases and debt service subsidy

FY 2024 CONSOLIDATED BUDGET PROPOSAL

Amounts in Thousands ('000)		FY 2024 Proposal
REVENUE		
Passenger Revenue	$	280,705
Shared Ride Program		25,306
Other Income		32,966
Investment Income		16,768
TOTAL OPERATING REVENUE	$	**355,745**
EXPENSES		
Labor and Fringe Benefits	$	1,135,259
Material and Services		419,562
Injury and Damage Claims		28,339
Propulsion Power		39,603
Fuel		31,436
Vehicle and Facility Rentals		4,732
OPERATING EXPENSE	$	**1,658,931**
Depreciation/Contributed Capital	$	26,716
TOTAL EXPENSES	$	**1,685,647**
DEFICIT BEFORE SUBSIDY	$	**(1,329,902)**
OPERATING SUBSIDY		
Federal		$347,952
State		$853,185
Local		$122,557
Other		6,208
TOTAL SUBSIDY	$	**1,329,902**
SURPLUS/(DEFICIT)	$	**-**

FY 2025 – FY 2029 FINANCIAL PROJECTIONS

TOTALS IN $000s	PROPOSAL	PROJECTIONS				
	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029
REVENUE						
PASSENGER REVENUE	$280,705	$294,740	$309,477	$324,951	$341,199	$358,259
SHARED RIDE PROGRAM	$25,306	$25,559	$25,815	$26,073	$26,334	$26,597
OTHER INCOME	$32,966	$33,296	$33,629	$33,965	$34,305	$34,648
INVESTMENT INCOME	$16,768	$16,600	$16,434	$16,270	$16,107	$15,946
TOTAL REVENUE	**$355,745**	**$370,195**	**$385,355**	**$401,259**	**$417,944**	**$435,449**
Revenue % of Pre-COVID	*69%*	*71%*	*74%*	*77%*	*81%*	*84%*
EXPENSES						
LABOR & FRINGE BENEFITS	$1,135,259	$1,165,192	$1,195,941	$1,227,528	$1,259,977	$1,293,312
MATERIALS & SERVICES	$419,562	$423,758	$427,995	$432,275	$436,598	$440,964
INJURY & DAMAGE CLAIMS	$28,339	$28,056	$27,775	$27,497	$27,222	$26,950
PROPULSION POWER	$39,603	$39,207	$38,815	$38,815	$39,203	$39,987
FUEL	$31,436	$31,122	$30,810	$30,194	$29,288	$28,117
VEHICLE & FACILITY RENTAL	$4,732	$4,685	$4,638	$4,591	$4,546	$4,500
DEPRECIATION	$26,716	$27,517	$28,343	$29,193	$30,069	$30,971
TOTAL EXPENSES	**$1,685,647**	**$1,719,536**	**$1,754,317**	**$1,790,094**	**$1,826,903**	**$1,864,801**
DEFICIT BEFORE SUBSIDIES	**$(1,329,902)**	**$(1,349,341)**	**$(1,368,963)**	**$(1,388,836)**	**$(1,408,959)**	**$(1,429,352)**
SUBSIDIES						
FEDERAL	$347,952	$69,608	$73,922	$114,807	$120,334	$126,757
STATE	$853,185	$904,646	$905,244	$905,085	$904,709	$904,982
LOCAL	$122,557	$124,309	$123,960	$124,383	$124,061	$123,787
OTHER	$6,208	$6,208	$6,208	$6,208	$6,208	$6,208
TOTAL SUBSIDY	**$1,329,902**	**$1,104,771**	**$1,109,334**	**$1,150,483**	**$1,155,312**	**$1,161,735**
SURPLUS/(DEFICIT)	**$0**	**$(244,570)**	**$(259,629)**	**$(238,353)**	**$(253,649)**	**$(267,619)**
NOTES	LAST OF FEDERAL COVID RELIEF	STRUCTURAL DEFICITS OF $238M-$267M PER YEAR				

FINANCIAL PLANNING POLICIES

Balanced Budget

The SEPTA Board adopts a balanced budget, or short-term operating spending plan, before the start of each fiscal year in accordance with the enabling legislation of the Commonwealth of Pennsylvania. A balanced budget is one in which expected operating revenues and subsidies equal expected operating expenses. When a deviation from a balanced budget is foreseen or occurs, this is reported as an operating surplus or deficit. SEPTA proposes a balanced budget for Fiscal Year 2024, largely through the use of one-time Federal COVID relief funding. Significant structural deficits emerge following the exhaustion of Federal COVID Relief funding beginning in Fiscal Year 2025 as reflected in the Five-Year Financial Projections.

Fiscal Year

The Authority's budget is prepared on a fiscal year basis, beginning July 1, and ending June 30, which is consistent with the financial statements.

Basis of Financial Reporting and Budgeting

The Authority's annual financial statements are prepared using the economic resources measurement focus and the accrual basis in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. Revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred. The Authority distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses generally result from the Authority's principal operation of providing passenger transportation service. The principal operating revenues are passenger fares, and the principal operating expenses are related to the delivery of passenger transportation.

The budget is prepared on a similar basis as the annual financial statements, with the following exceptions:

- The budget includes depreciation net of amortization of contributed capital, while the annual financial statements report gross depreciation. Amortization of contributed capital has been replaced in the annual financial statements by capital grant funding.

- The budget includes a resultant Surplus or Deficit, while the annual financial statement reports a Change in Net Position.

- The budget includes investment income in operating revenue, while the annual financial statements treat this item, and all other subsidies, as non-operating. Conversely, route guarantees classified as operating revenue commencing in Fiscal Year 2013 in the annual financial statements continue to be classified as an operating subsidy within the budget. Additionally, interest expense is treated as non-operating in the annual financial statements.

- The net actuarially determined other post-employment benefit (OPEB) obligation recognized under Governmental Accounting Standards Board (GASB) Statement No. 45 in 2008, which was replaced by GASB 75 and implemented by the Authority in Fiscal Year 2018, has been excluded from budgeted expenses. The expense impact of the annual unfunded pension liability change under GASB 68, implemented by the Authority in Fiscal Year 2015, is also excluded from budgeted expenses. Such costs are included in operating expenses in the annual financial statements. The OPEB is funded and budgeted on a pay-as-you-go basis, whereas pensions are funded and budgeted based on actuarially determined contributions calculated by an independent actuary.

4. Financial and Budgetary Policies

Long-Range Planning

SEPTA continually assesses the consequences of national, state, and local demographic, economic, travel, and development trends for SEPTA's current and future operations, services, and capital projects. This assessment includes the evaluation of current and potential service levels in accordance with SEPTA's Annual Service Plan and the City Transit, Suburban Transit, and Regional Rail Service Standards and Processes. This assessment forms the backdrop for SEPTA's long-range planning and the basis for the five-year financial projections, which are included in the adopted budget for each fiscal year.

Asset Security and Protection

SEPTA has established an internal control structure to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The Procurement, Supply Chain and Disadvantaged Business Enterprise Division is responsible for the purchase, lease, sale, and disposal of parts, equipment, supplies, repairs, and services utilized by the Authority. This includes the coordination and enforcement of federal, state, and local funding agency regulations for all approved capital expenditures. The principal areas of responsibility include compliance and support services, contract administration, purchasing, resource control, and production control. The specific function of this group is further defined in the departmental section of this budget document.

REVENUE POLICIES

Revenue Diversification & Growth

The Authority continues to explore areas for revenue diversification and enhancement to supplement passenger revenue and subsidies. Such enhancements shall include, but not be limited to:
- Developing new institutional partnerships, such as the new *SEPTA Key Advantage* pilot program, to broaden the base of potential riders
- Identifying opportunities to serve new markets through a cross-departmental *Ridership Recovery Task Force,* which meets monthly
- Advancing technology improvements such as *Key 2.0* and mobile ticketing to grow ridership through an improved customer experience
- Expanding non-fare based revenue through the *Advertising Program*, *Station Naming Rights Agreements*, and other non-fare based opportunities

Fees and Charges

The Authority's fare structure has been implemented in accordance with legislation established by the Legislature of the Commonwealth of Pennsylvania and applicable federal legislation. Changes to SEPTA's fare structure are subject to the guidelines established by this legislation, including a public hearing process and Board approval.

Unpredictable Revenues

Prior to the COVID-19 pandemic, there were no major revenue sources that the Authority believed to be unpredictable in nature. The Authority has adopted a policy whereby it does not rely on unpredictable revenues to finance ongoing operations. Because the recovery from the pandemic and its impact on long-term operating revenue in Fiscal Year 2024 remains uncertain at this time, the Federal relief funding will continue to help fulfill budget revenue shortfalls experienced next year.

EXPENDITURE POLICIES

Efficiency & Accountability

All business units within SEPTA are expected to adhere to budgeted guidelines. Managers are held accountable for operating within their authorized budget. The Authority reports monthly on a comparison of actual operating and capital expenditures to budget. Many actions to balance the budget can be implemented by the General Manager/CEO, with input from staff, while some actions such as fare modifications and significant service changes require Board approval.

Spending plans are based both on an assessment of ongoing needs to maintain existing service levels and to introduce new programs. Due to external constraints on the Authority's expense growth, expansion is limited to those programs exhibiting the highest degree of cost effectiveness and payback in future economies. Budgeting is done at the management center level and managers are provided with detailed variance reports on a monthly basis. SEPTA will be focusing on tightly managing expenses and headcount as one-time federal COVID relief funding expiration approaches. Federal COVID relief funding is currently projected to expire in Fiscal Year 2024 (April 2024).

SEPTA has created an *Efficiency & Accountability (E&A) Program* to position the Authority for success in navigating the effects of COVID-19 in the coming months and beyond by:
- Ensuring the right capabilities, mindsets, and resources in place to deliver on the strategic plan
- Alleviating day-to-day pain points to make SEPTA a more satisfying place to work for employees
- Driving efficiency, productivity & accountability in business units across the organization
- Pursuing cost-saving & revenue-generating opportunities that put SEPTA on firm financial footing

In addition to the E&A Program, multiple divisions have ensuring efficiency and accountability as core elements of their mission and objectives. For example:
- The Planning and Strategy Division conducts periodic assessments of various business functions through an Office of Innovation, which recommends changes when deemed appropriate.
- The Office of Inspector General regularly audits business functions and develops an annual audit plan to continually protect the Authority against waste, fraud, and abuse.

DESCRIPTION OF EXISTING DEBT AND DEBT SERVICE POLICIES

In January 2022, the Authority proposed a new draft Debt Policy to establish sound, prudent and appropriate parameters and to provide guidance governing the issuance, management, continuing evaluation of and reporting on all debt obligations issued or incurred by SEPTA. Recognizing the importance and value to SEPTA's creditworthiness and marketability of SEPTA's bonds, the draft policy is intended to ensure that any and all potential debt structures comply with all applicable laws and regulations, as well as sound financial principles.

On July 18, 2007, the Governor of the Commonwealth of Pennsylvania signed into law Act No. 2007 – 44 ("Act 44"), which, effective July 1, 2007, among other things, (a) repealed 74 Pa C.S. Ch. 13 (which included Section 1310); and (b) provides, in pertinent part that, notwithstanding such repeal, (i) the Public Transportation Assistance (PTA) Fund shall continue to receive the revenue the PTA Fund was entitled to receive on June 30, 2007, (ii) despite the repeal of 74 Pa. C.S. Ch. 13 and, in particular, Section 1310, transit entities that have outstanding obligations shall continue to receive money from the PTA Fund calculated and paid in the same manner as was provided on June 30, 2007, and (iii) money remaining in the PTA Fund after amounts are disbursed as described in (ii) above shall be transferred monthly to the PTA Fund established under 74 Pa. C.S. Ch. 1506.

The Authority, as a transit entity under Act 44, will continue to receive amounts distributed from the PTA Fund that are calculated and paid in the same manner as was prescribed prior to the repeal of Section 1310.

4. Financial and Budgetary Policies

On November 25, 2013, the Governor of the Commonwealth of Pennsylvania signed into law Act No. 2013 – 89 ("Act 89"), which increased available Capital funding for transportation commencing in FY 2014. Act 89 has no effect on the amounts that the Authority is otherwise entitled to receive under Act 44 for repayment of its Revenue Refunding Bond obligations.

The Authority's policy is to issue debt periodically to supplement federal and state grants in support of the Authority's capital plan. There are no requirements to establish legal debt limits.

Revenue Refunding Bonds

The Revenue Refunding Bonds are limited obligations of the Authority, and the principal and interest thereon are payable solely from the revenues received by the Authority from the Pennsylvania Consolidated Statutes, including all moneys distributed to the Authority from the PTA Fund created under Article XXIII of the Pennsylvania Tax Reform Code of 1971, as amended.

In March 2007, the Authority issued $131.7 million of Variable Rate Revenue Refunding Bonds, Series of 2007. The net proceeds from the sale of the 2007 Bonds were used to currently refund the Authority's outstanding Special Revenue Bonds, Series of 1997, and to pay the premium for a debt service reserve fund insurance policy. The net proceeds of the 1997 bonds had been used to reimburse the Authority for a portion of the costs of certain capital projects; refund certain leases entered into by the Authority for a building and related equipment; pay the costs of certain capital projects; and pay the premium for a debt service reserve fund insurance policy. In December 2012, the Authority converted the $97.95 million remaining outstanding principal amount of the 2007 bonds from the Daily Rate Mode to the Indexed Mode.

In October 2010, the Authority issued $222.5 million Revenue Refunding Bonds, Series of 2010 due in varying amounts through 2028, with annual interest rates ranging from 2% to 5%. The net proceeds from the sale of the 2010 Bonds, together with other funds of the Authority, were used to (a) currently refund the outstanding principal amount of the 1999 Special Revenue Bonds, Series A and Series B, (b) fund the termination payments and accrued amounts payable in connection with the termination of certain swap agreements and, (c) fund certain costs and expenses incurred in connection with the issuance and sale of the 2010 Bonds. The net proceeds of the 1999 Bonds had been used to finance a portion of the Market-Frankford subway-elevated line vehicle acquisition program; refinance a bridge loan for payment of a portion of the vehicle acquisition program; refund $73.2 million of the 1995A Bonds; reimburse the Authority for a portion of the costs of certain capital projects; and pay a portion of the premium for a debt service reserve fund insurance policy.

On October 11, 2017, the Authority issued $59.97 million of Revenue Refunding Bonds, Series 2017 (the "2017 Bonds"). The 2017 Bonds are due in varying amounts with maturity dates of March 1, 2021, through and including March 1, 2028. The 2017 Bonds were issued at a premium and have yields ranging between 1.25% and 2.3% and bear a 5% annual interest rate. The proceeds from the sale of the 2017 Bonds in the amount of $71.88 million were used to (a) advance refund a portion of the Authority's Revenue Refunding Bonds, Series of 2010 ("Refunded 2010 Bonds") in the aggregate principal amount of $65.84 million, and (b) fund certain costs and expenses incurred by the Authority in connection with the issuance and sale of the 2017 Bonds. Concurrently with the issuance of the 2017 Bonds, a portion of the proceeds along with other available moneys of the Authority, were irrevocably deposited into an escrow account pursuant to the terms of an Escrow Agreement and invested in Government Obligations, the maturing principal of and interest on which will be sufficient to pay the interest and principal on the Refunded 2010 Bonds as such payments become due. Upon the deposit of the funds for the advance refunding of the Refunded 2010 Bonds pursuant to the terms of the Escrow Agreement, the Refunded 2010 Bonds were deemed to no longer be outstanding under the Indenture.

4. Financial and Budgetary Policies

On December 5, 2019, the Authority issued $17.825 million of Revenue Refunding Bonds, Series of 2019 (the "2019 Bonds"). The 2019 bonds are due in varying amounts with maturity dates of March 1, 2020, through and including March 1, 2028. The 2019 Bonds were issued at a premium and have yields ranging between 1.21% and 1.67% and bear annual interest rates ranging from 3% to 5%. The proceeds from the sale of the 2019 Bonds in the amount of $20.58 million were used to (a) refund a portion of the Authority's Revenue Refunding Bonds, Series of 2010 ("Refunded 2010 Bonds") in the aggregate principal amount of $19.84 million, and (b) fund certain costs and expenses incurred by the Authority in connection with the issuance and sale of the 2019 Bonds. Concurrently with the issuance of the 2019 Bonds, a portion of the proceeds along with other available moneys of the Authority, were irrevocably deposited into an escrow account pursuant to the terms of an Escrow Agreement and invested in Government Obligations, the maturing principal of and interest on which will be sufficient to pay the interest and principal on the Refunded 2010 Bonds as such payments become due. Upon the deposit of the funds for the current refunding of the Refunded 2010 Bonds pursuant to the terms of the Escrow Agreement, the Refunded 2010 Bonds were deemed to no longer be outstanding under the Indenture.

Capital Grant Receipts Bonds
On August 16, 2011, the Authority issued $201.6 million of Capital Grant Receipts Bonds, Series 2011 due in varying amounts through 2029 with annual interest rates ranging from 3% to 5%. The net proceeds from the sale of the 2011 Capital Grant Receipts Bonds were used to (a) finance the acquisition of 116 Silverliner V Regional Railcars, (b) finance the rehabilitation of Wayne Junction Intermodal Facility, (c) fund a deposit to the Debt Service Reserve Fund, and (d) fund certain costs and expenses in connection with the issuance and sale of the 2011 Bonds. The Capital Grant Receipts Bonds, Series 2011 are limited obligations of the Authority and are payable solely from and secured solely by (I) all amounts received by the Authority from the "Grant Receipts", (II) amounts on deposit in certain funds and accounts established under the Indenture, including investment earnings thereon, and (III) any and all other moneys and securities furnished from time to time to the Trustee by the Authority. Grant Receipts consist of all amounts received by the Authority after the date of issuance of the 2011 Bonds from its share of Federal Transit Administration (FTA) Section 5337 State of Good Repair Funding, and for each Federal Fiscal Year thereafter. FTA Section 5337 State of Good Repair Funding is the successor to FTA Section 5309 Fixed Guideway Modernization Formula Funding.

On October 19, 2017, the Authority issued $102.30 million of Capital Grant Receipts Refunding Bonds, Series 2017 (Federal Transit Administration Section 5337 State of Good Repair Formula Program Funds), (the "2017 CGR Bonds"). The 2017 CGR Bonds are due in varying amounts with maturity dates of June 1, 2018, and June 1, 2022, through and including June 1, 2029. The 2017 CGR Bonds were issued with a premium and have yields ranging between 1.20% and 2.51% and bear a 5% annual interest rate. The proceeds from the sale of the 2017 CGR Bonds in the amount of $123.07 million, together with other available moneys of the Authority, were used to (a) advance refund a portion of the Authority's Capital Grant Receipts Bonds, Series 2011 (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds) (the "2011 Bonds"), in the aggregate principal amount of $110.45 million, and (b) fund certain costs and expenses incurred by the Authority in connection with the issuance and sale of the 2017 CGR Bonds. Concurrently with the issuance of the 2017 CGR Bonds, a portion of the proceeds of the 2017 CGR Bonds and other moneys of the Authority were irrevocably deposited into an escrow account pursuant to an Escrow Agreement and invested in Government Obligations, the maturing principal of and interest on which will be sufficient to pay the interest and principal on the Refunded 2011 Bonds as such payments become due. Upon the deposit of the funds for the advance refunding of the Refunded 2011 Bonds pursuant to the terms of the Escrow Agreement, the Refunded 2011 Bonds were deemed to no longer be outstanding under the Indenture.

On July 29, 2020, the Authority issued $97.23 million of Capital Grant Receipts Revenue Bonds, Series 2020 (Federal Transit Administration Section 5307 Urbanized Area Formula Funds), (the "2020 CGR Bonds"). The 2020 CGR Bonds are due in varying amounts with maturity dates of June 1, 2021, through

and including June 1, 2032. The 2020 CGR Bonds were issued with a premium and have yields ranging between 0.41% and 1.43% and bear a 5% annual interest rate. The proceeds from the sale of the 2020 CGR Bonds in the amount of $120.72 million, together with other available moneys of the Authority, were used to finance the acquisition of approximately 140 diesel-electric hybrid buses and related project costs, as well as payment of the cost of issuance for the 2020 CGR Bonds.

Asset Improvement Program Revenue Bonds
On October 18, 2022, the Authority issued $510.7 million of Asset Improvement Program (AIP) Revenue Bonds, Series of 2022 due in varying amounts through 2052 with annual interest rates ranging from 3% to 5.25%. The Asset Improvement Bonds were rated Aa3 by Moody's Investor Services, AA by Fitch Ratings, and AA by Kroll Bond Rating Agency. The net proceeds from the sale of the AIP Bonds were used to fund (i) various capital improvement projects across the System provided for in an application for financial assistance submitted to the Pennsylvania Department of Transportation (PennDOT) which was approved by PennDOT on February 16, 2022, pursuant to Section 1507 of Title 74 of the Pennsylvania Consolidated Statutes (the "Application"), including but not limited to, state of good repair initiatives and vehicle replacement for trolley modernization and on both the Regional Rail Division and Subway/Elevated lines; (ii) refinancing certain outstanding debt of the Authority used to finance certain capital projects for the System; (iii) reimbursing the Authority for qualifying capital costs incurred prior to the issuance of the 2022 Bonds, if any; and (iv) funding costs of issuance of the 2022 Bonds. The Asset Improvement Program Revenue Bonds are limited obligations of the Authority, and the principal and interest thereon are payable solely from the revenues received by the Authority from the Pennsylvania Consolidated Statues, including all moneys distributed to the Authority from its allocation of revenues derived from various statewide fees and taxes, primarily motor vehicle sales taxes. These Authority Allocated Funds (AAF) flow from the commonwealth's Public Transportation Trust Fund as part of the commonwealth's Asset Improvement Program. SEPTA's AAF are 69.4% of Asset Improvement Program revenues, net of both a 5% set-aside by PennDOT and allocated commonwealth General Obligation (GO) bond proceeds. The commonwealth treasurer annually transfers portions of AAF required for debt service directly to the trustee, pursuant to legal agreements. The bonds are also payable from a reserve fund established by the indenture, funded at maximum annual debt service from AAF.

Energy Service Company "ESCO" Lease/Purchase Agreement
The Authority entered into a Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corporation on November 24, 2015. There are two tranches of debt; tranche 1 has a principal amount of $4.2 million, and an interest rate of 2.37% and a final maturity of June 1, 2026; and tranche 2 has a principal amount of $14.0 million, an interest rate of 3.168%, and a final maturity of June 1, 2033. The installed equipment will serve to reduce the Authority's energy consumption and the resultant annual operating savings are guaranteed by the ESCO to equal or exceed the annual debt service and other annual project-related expenses throughout the term of the agreement.

The Authority entered into a Master Equipment Lease/Purchase Agreement with PNC Equipment Finance, LLC on November 30, 2016. The total amount financed is $35.9 million, due in varying amounts through March 30, 2034, with an annual nominal interest rate of 2.83%. The equipment leased/purchased included the installation of various energy conservation measures through a third party agreement which will serve to reduce the Authority's energy consumption and operating expenses. The measures undertaken included the construction of a Combined Heat and Power Plant ("CHP") that will provide electricity to the Wayne Junction substation and Midvale bus maintenance facility, the installation of interior and exterior LED lighting upgrades to certain Authority owned buildings, and various other work to conserve energy. The resultant annual operating savings are guaranteed by the ESCO to equal or exceed the annual debt service payments and other annual project related expenses throughout the term of the agreement.

4. Financial and Budgetary Policies

The Authority entered into a Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corporation on July 30, 2019. The total amount financed is $12.8 million, due in varying amounts through February 1, 2037, with an annual interest rate of 2.969%. The equipment to be leased/purchased will include various energy conservation measures to reduce energy consumption at SEPTA's 1234 Market Street Headquarters. The resultant annual operating savings are guaranteed by the ESCO to equal or exceed the annual debt service and other annual project related expenses throughout the term of the agreement.

Revolving Line of Credit Agreement
On May 1, 2022, SEPTA entered into a $300 million Revolving Line of Credit Agreement ("Revolving Line of Credit Note") with PNC Bank, National Association, with an expiration date of April 30, 2023.

On November 1, 2022, the Line of Credit was reduced to $200 million, and on January 1, 2023, the Line of Credit was reduced to $100 million. The Note is unsecured and bears interest at the 1-Month Bloomberg Short Term Bond Yield Index ("BSBY") plus a credit spread. The facility fee associated with the revolving line of credit varies depending upon the amount borrowed and outstanding during the one-year term. As of February 25, 2023, the Authority does not have an outstanding balance on its revolving line of credit.

Debt Limit
The Authority does not have a debt limit but must demonstrate the ability to repay prior to entering into a loan agreement or issuing bonds.

Debt Service
The Authority has two series of Revenue Refunding Bonds (issued in 2017 and 2019), and two series of Capital Grant Receipts Bonds (issued in 2017, and 2020) currently outstanding. In January 2016, the Authority entered into an EB-5 loan agreement to partially finance various capital projects. In November of both 2015 and 2016, and July of 2019, the Authority entered into "ESCO" Lease/Purchase Agreements.

Debt Service Requirements
Interest on the Series of 2017 and Series of 2019 Revenue Refunding Bonds is payable semi-annually on March 1 and September 1, and interest on the Series 2017 and Series 2020 Capital Grant Receipts Bonds is payable semi-annually on December 1 and June 1. The aggregate debt service requirements for the Revenue Refunding Bonds and Capital Grant Receipts Bonds, and the ESCO Agreements are summarized in the following tables:

Bond Debt Service Requirements
(Amounts in Thousands)

Fiscal Year	Interest	Principal	Total
2024	36,693	37,855	74,548
2025	34,800	39,745	74,545
2026	32,813	41,730	74,543
2027	30,726	43,825	74,551
2028	28,535	44,760	73,295
2029	26,297	36,115	62,412
2030	24,491	22,455	46,946
2031	23,368	23,575	46,943
2032	22,190	24,755	46,945
2033	20,952	15,010	35,962
2034	20,201	15,765	35,966
2035	19,413	16,550	35,963
2036	18,586	17,380	35,966
2037	17,717	18,250	35,967
2038	16,804	19,160	35,964
2039	15,846	20,120	35,966
2040	14,790	21,175	35,965
2041	13,678	22,285	35,963
2042	12,508	23,455	35,963
2043	11,277	24,685	35,962
2044	9,981	20,290	30,271
2045	8,916	21,355	30,271
2046	7,794	22,475	30,269
2047	6,614	23,655	30,269
2048	5,373	18,425	23,798
2049	4,405	19,395	23,800
2050	3,387	20,415	23,802
2051	2,315	21,485	23,800
2052	1,187	22,615	23,802
TOTAL	**$491,656**	**$718,760**	**$1,210,416**

4. Financial and Budgetary Policies

SEPTA

ESCO Debt Service Requirements
(Amounts in Thousands)

Fiscal Year	Interest	Principal	Total
2024	1,479	3,768	5,247
2025	1,368	4,103	5,471
2026	1,248	3,965	5,212
2027	1,136	3,943	5,079
2028	1,022	4,236	5,258
2029	899	4,318	5,216
2030	773	4,510	5,283
2031	642	4,594	5,237
2032	509	5,291	5,799
2033	355	5,281	5,636
2034	210	4,443	4,652
2035	82	963	1,045
2036	53	1,003	1,056
2037	23	1,043	1,067
TOTAL	**$9,798**	**$51,460**	**$61,257**

A graph of the Authority's outstanding debt service requirements is illustrated below:
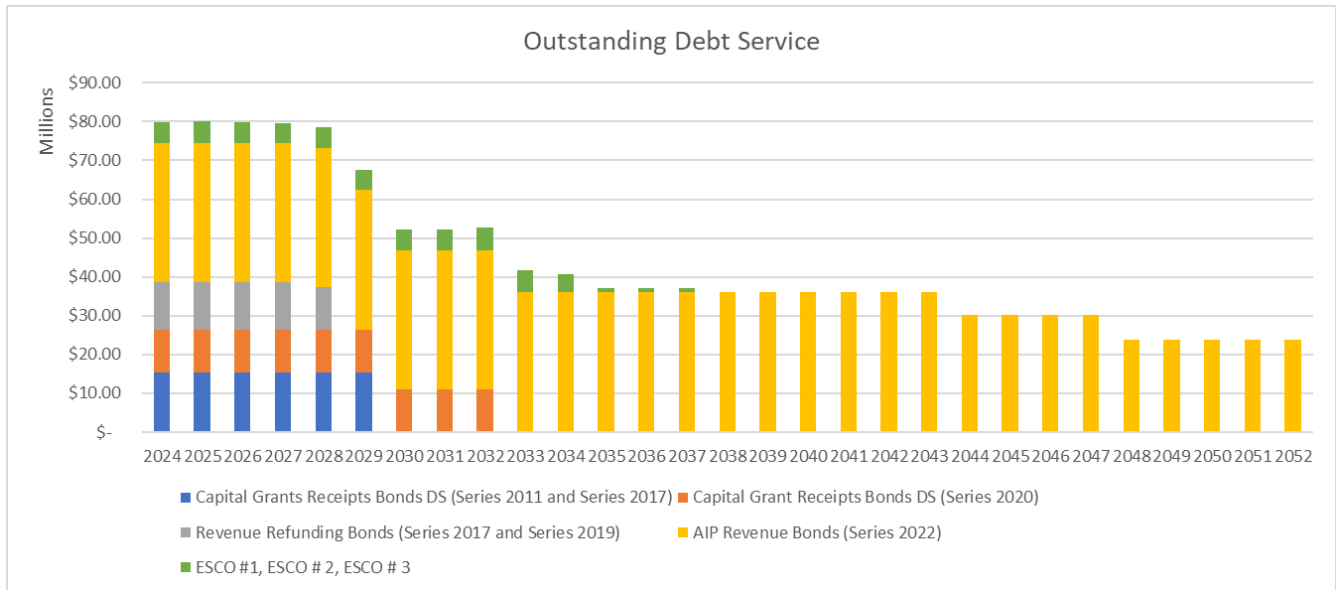
4. Financial and Budgetary Policies

STATEMENT OF CHANGES IN EQUITY

The comparative fiscal year Statement of Changes in Equity displays the Authority's change in contributed capital as well as the change in its accumulated operating deficit, including the fiscal year operating financial results on a balanced budget reporting basis. The equity amounts below exclude the post-employment benefit, unfunded pension obligations, and lease financings accounting recognized under GASB 45/75, 67/68, and 87, respectively. Operating surpluses are reducing deficits accumulated in prior years.

FY 2022 ACTUAL, FY 2023 BUDGET, AND FY 2024 PROPOSAL

STATEMENT OF CHANGES IN EQUITY

Amounts in thousands ('000)	FY 2022 Actual	FY 2023 Budget	FY 2024 Proposal
Contributed Capital:			
Balance at Beginning of Year	$ 4,091,539	$ 4,072,910	$ 4,208,360
Capitalized Grant Property	393,299	580,622	424,488
Capitalized Grant Property - Retirements	(29,387)	(104,922)	(115,311)
Amortization	(411,928)	(444,532)	(413,881)
Amortization - Retirements	29,387	104,282	114,607
Contributed Capital Balance at End of Year	**$ 4,072,910**	**$ 4,208,360**	**$ 4,218,263**
Operating Surplus/(Deficit):			
Accumulated Operating Surplus/(Deficit) at Beginning of Year	$ (180,377)	$ (179,879)	$ (179,879)
Operating Surplus	4,053	-	-
Unrealized Investment Gain/(Loss)	(3,555)	-	-
Operating Surplus/(Deficit) After Unrealized Investment Gain/(Loss)	$ 498	$ -	$ -
Accumulated Operating Deficit at End of Year	**$ (179,879)**	**$ (179,879)**	**$ (179,879)**
Total Equity	**$ 3,893,031**	**$ 4,028,481**	**$ 4,038,384**

* - Includes FY 2022 post closing adjustment to contributed capital
of $32,624,996

** - FY 2022 actual includes $4,560,000 post-closing adjustment
to accrued federal capital invoices.

Consolidated

Amounts in thousands ('000)	FY 2022 Actual	FY 2023 Budget	FY 2024 Proposal	FY 2024 versus FY 2023
REVENUE				
Passenger Revenue	$ 226,576	$ 265,567	$ 280,705	$ 15,138
Shared Ride Program	7,301	9,569	25,306	15,737
Other Income	34,129	40,495	32,966	(7,529)
Investment Income	525	598	16,768	16,170
TOTAL OPERATING REVENUE	**$ 268,531**	**$ 316,229**	**$ 355,745**	**$ 39,516**
EXPENSES				
Labor and Fringe Benefits	$ 1,039,378	$ 1,081,212	$ 1,135,259	$ 54,047
Materials and Services	283,414	403,603	419,562	15,959
Injury and Damage Claims	22,808	28,795	28,339	(456)
Propulsion Power	23,906	32,838	39,603	6,765
Fuel	23,731	31,626	31,436	(190)
Vehicle and Facility Rentals	7,388	8,200	4,732	(3,468)
OPERATING EXPENSE	**$ 1,400,625**	**$ 1,586,274**	**$ 1,658,931**	**$ 72,657**
Depreciation/Contributed Capital	$ 24,515	$ 24,260	$ 26,716	$ 2,456
TOTAL EXPENSES	**$ 1,425,140**	**$ 1,610,534**	**$ 1,685,647**	**$ 75,113**
DEFICIT BEFORE SUBSIDY	**$ (1,156,609)**	**$ (1,294,305)**	**$ (1,329,902)**	**$ (35,597)**
OPERATING SUBSIDY				
Federal	$ 333,445	$ 423,101	$ 347,952	$ (75,149)
State	717,651	757,170	853,185	96,015
Local	103,648	108,641	122,557	13,916
Other	5,918	5,393	6,208	815
TOTAL SUBSIDY	**$ 1,160,662**	**$ 1,294,305**	**$ 1,329,902**	**$ 35,597**
SURPLUS/(DEFICIT)	**$ 4,053**	**$ -**	**$ -**	**$ -**

5. Three Year Comparison Fiscal Years 2022-2024

SEPTA

City Transit Division

Amounts in thousands ('000)	FY 2022 Actual	FY 2023 Budget	FY 2024 Proposal	FY 2024 versus FY 2023
REVENUE				
Passenger Revenue	$ 154,692	$ 182,588	$ 182,960	$ 372
Shared Ride Program	7,301	9,569	25,306	15,737
Other Income	23,140	25,635	26,010	375
Investment Income	280	298	7,167	6,869
TOTAL OPERATING REVENUE	**$ 185,413**	**$ 218,090**	**$ 241,443**	**$ 23,353**
EXPENSES				
Labor and Fringe Benefits	$ 707,403	$ 742,349	$ 780,443	$ 38,094
Materials and Services	167,093	226,851	235,020	8,169
Injury and Damage Claims	24,716	13,163	13,162	(1)
Propulsion Power	9,548	13,033	17,419	4,386
Fuel	18,311	23,674	23,515	(159)
Vehicle and Facility Rentals	5,770	6,290	3,156	(3,134)
OPERATING EXPENSE	**$ 932,841**	**$ 1,025,360**	**$ 1,072,715**	**$ 47,355**
Depreciation/Contributed Capital	$ 14,643	$ 15,908	$ 17,659	$ 1,751
TOTAL EXPENSES	**$ 947,484**	**$ 1,041,268**	**$ 1,090,374**	**$ 49,106**
DEFICIT BEFORE SUBSIDY	**$ (762,071)**	**$ (823,178)**	**$ (848,931)**	**$ (25,753)**
OPERATING SUBSIDY				
Federal	$ 204,079	$ 244,586	$ 197,035	$ (47,551)
State	487,861	504,432	567,999	63,567
Local	71,199	72,563	82,300	9,737
Other	1,013	1,597	1,597	-
TOTAL SUBSIDY	**$ 764,152**	**$ 823,178**	**$ 848,931**	**$ 25,753**
SURPLUS/(DEFICIT)	**$ 2,081**	**$ -**	**$ -**	**$ -**

Victory Division

Amounts in thousands ('000)	FY 2022 Actual		FY 2023 Budget		FY 2024 Proposal		FY 2024 versus FY 2023	
REVENUE								
Passenger Revenue	$	12,230	$	13,913	$	15,113	$	1,200
Shared Ride Program		-		-		-		-
Other Income		2,695		3,317		1,400		(1,917)
Investment Income		20		15		406		391
TOTAL OPERATING REVENUE	**$**	**14,945**	**$**	**17,245**	**$**	**16,919**	**$**	**(326)**
EXPENSES								
Labor and Fringe Benefits	$	74,762	$	82,028	$	84,483	$	2,455
Materials and Services		20,376		24,835		27,410		2,575
Injury and Damage Claims		2,056		1,147		1,147		-
Propulsion Power		1,039		1,508		1,996		488
Fuel		2,839		4,380		4,365		(15)
Vehicle and Facility Rentals		169		241		309		68
OPERATING EXPENSE	**$**	**101,241**	**$**	**114,139**	**$**	**119,710**	**$**	**5,571**
Depreciation/Contributed Capital	$	263	$	278	$	384	$	106
TOTAL EXPENSES	**$**	**101,504**	**$**	**114,417**	**$**	**120,094**	**$**	**5,677**
DEFICIT BEFORE SUBSIDY	**$**	**(86,559)**	**$**	**(97,172)**	**$**	**(103,175)**	**$**	**(6,003)**
OPERATING SUBSIDY								
Federal	$	23,987	$	29,161	$	23,442	$	(5,719)
State		54,892		59,151		69,344		10,193
Local		8,005		8,860		10,389		1,529
Other		-		-		-		-
TOTAL SUBSIDY	**$**	**86,884**	**$**	**97,172**	**$**	**103,175**	**$**	**6,003**
SURPLUS/(DEFICIT)	**$**	**325**	**$**	**-**	**$**	**-**	**$**	**-**

Frontier Division

Amounts in thousands ('000)	FY 2022 Actual		FY 2023 Budget		FY 2024 Proposal		FY 2024 versus FY 2023	
REVENUE								
Passenger Revenue	$	3,291	$	3,810	$	4,514	$	704
Shared Ride Program		-		-		-		-
Other Income		537		915		458		(457)
Investment Income		6		4		139		135
TOTAL OPERATING REVENUE	$	3,834	$	4,729	$	5,111	$	382
EXPENSES								
Labor and Fringe Benefits	$	30,069	$	31,957	$	29,333	$	(2,624)
Materials and Services		5,472		5,295		6,103		808
Injury and Damage Claims		1,154		378		377		(1)
Propulsion Power		-		-		-		-
Fuel		2,099		2,946		2,939		(7)
Vehicle and Facility Rentals		52		77		21		(56)
OPERATING EXPENSE	$	38,846	$	40,653	$	38,773	$	(1,880)
Depreciation/Contributed Capital	$	62	$	63	$	85	$	22
TOTAL EXPENSES	$	38,908	$	40,716	$	38,858	$	(1,858)
DEFICIT BEFORE SUBSIDY	$	(35,074)	$	(35,987)	$	(33,747)	$	2,240
OPERATING SUBSIDY								
Federal	$	8,608	$	10,448	$	8,399	$	(2,049)
State		22,556		21,636		21,471		(165)
Local		3,382		3,243		3,217		(26)
Other		662		660		660		-
TOTAL SUBSIDY	$	35,208	$	35,987	$	33,747	$	(2,240)
SURPLUS/(DEFICIT)	$	134	$	-	$	-	$	-

5. Three Year Comparison Fiscal Years 2022-2024

SEPTA

Regional Rail Division

Amounts in thousands ('000)	FY 2022 Actual	FY 2023 Budget	FY 2024 Proposal	FY 2024 versus FY 2023
REVENUE				
Passenger Revenue	$ 56,363	$ 65,256	$ 78,118	$ 12,862
Shared Ride Program	-	-	-	-
Other Income	7,757	10,628	5,098	(5,530)
Investment Income	219	281	9,056	8,775
TOTAL OPERATING REVENUE	**$ 64,339**	**$ 76,165**	**$ 92,272**	**$ 16,107**
EXPENSES				
Labor and Fringe Benefits	$ 227,144	$ 224,878	$ 241,000	$ 16,122
Materials and Services	90,473	146,622	151,029	4,407
Injury and Damage Claims	(5,118)	14,107	13,653	(454)
Propulsion Power	13,319	18,297	20,188	1,891
Fuel	482	626	617	(9)
Vehicle and Facility Rentals	1,397	1,592	1,246	$ (346)
OPERATING EXPENSE	**$ 327,697**	**$ 406,122**	**$ 427,733**	**$ 21,611**
Depreciation/Contributed Capital	$ 9,547	$ 8,011	$ 8,588	$ 577
TOTAL EXPENSES	**$ 337,244**	**$ 414,133**	**$ 436,321**	**$ 22,188**
DEFICIT BEFORE SUBSIDY	**$ (272,905)**	**$ (337,968)**	**$ (344,049)**	**$ (6,081)**
OPERATING SUBSIDY				
Federal	$ 96,771	$ 138,906	$ 119,076	$ (19,830)
State	152,342	171,951	194,371	22,420
Local	21,062	23,975	26,651	2,676
Other	4,243	3,136	3,951	815
TOTAL SUBSIDY	**$ 274,418**	**$ 337,968**	**$ 344,049**	**$ 6,081**
SURPLUS/(DEFICIT)	**$ 1,513**	**$ -**	**$ -**	**$ -**

ANNUAL SERVICE PLAN OVERVIEW

In the past, SEPTA prepared an Annual Service Plan that describes service proposals suggested by the public, government agencies, elected officials, and Authority staff, and present the technical and financial analyses that determine whether the proposals merit implementation. The draft network for "Bus Revolution" comprehensive bus network redesign released in fall 2022 and updated draft released in March 2023 are providing public input that goes beyond prior processes and will supersede the Annual Service Plan for FY 2024. Changes under "Bus Revolution" will be implemented in fall 2024 as a part of the FY 2025 operating budget.

TEN YEAR REVENUE TRENDS

The Authority analyzes several factors that affect the Operating Revenue budget. This includes an examination of national, state, and local demographic, economic, travel, and development trends. In addition, SEPTA evaluates current and projected service levels and other factors affecting ridership and revenue levels. Finally, the Authority considers historical trends in major revenue categories, as illustrated in the following charts:

Amounts in Millions

Passenger Revenue

FY	Amount
FY 2015	$476.29
FY 2016	$470.40
FY 2017	$441.40
FY 2018	$466.57
FY 2019	$457.71
FY 2020	$349.31
FY 2021	$149.42
FY 2022	$226.58
FY 2023 Budget	$265.57
FY 2024 Proposal	$280.70

Shared Ride Program

FY	Amount
FY 2015	$20.00
FY 2016	$18.60
FY 2017	$17.21
FY 2018	$16.35
FY 2019	$15.99
FY 2020	$12.61
FY 2021	$5.63
FY 2022	$7.30
FY 2023 Budget	$9.57
FY 2024 Proposal	$25.31

Other Income

FY	Amount
FY 2015	$33.76
FY 2016	$36.00
FY 2017	$35.70
FY 2018	$38.75
FY 2019	$41.02
FY 2020	$38.46
FY 2021	$38.12
FY 2022	$34.13
FY 2023 Budget	$40.50
FY 2024 Proposal	$32.97

SUMMARY OF OPERATING REVENUE

TOTAL OPERATING REVENUE = $355,745
In Thousands

Passenger Revenue
$280,705
78.9%

Shared Ride Program
$25,306
7.1%

Other Income
$32,966
9.3%

Investment Income
$16,768
4.7%
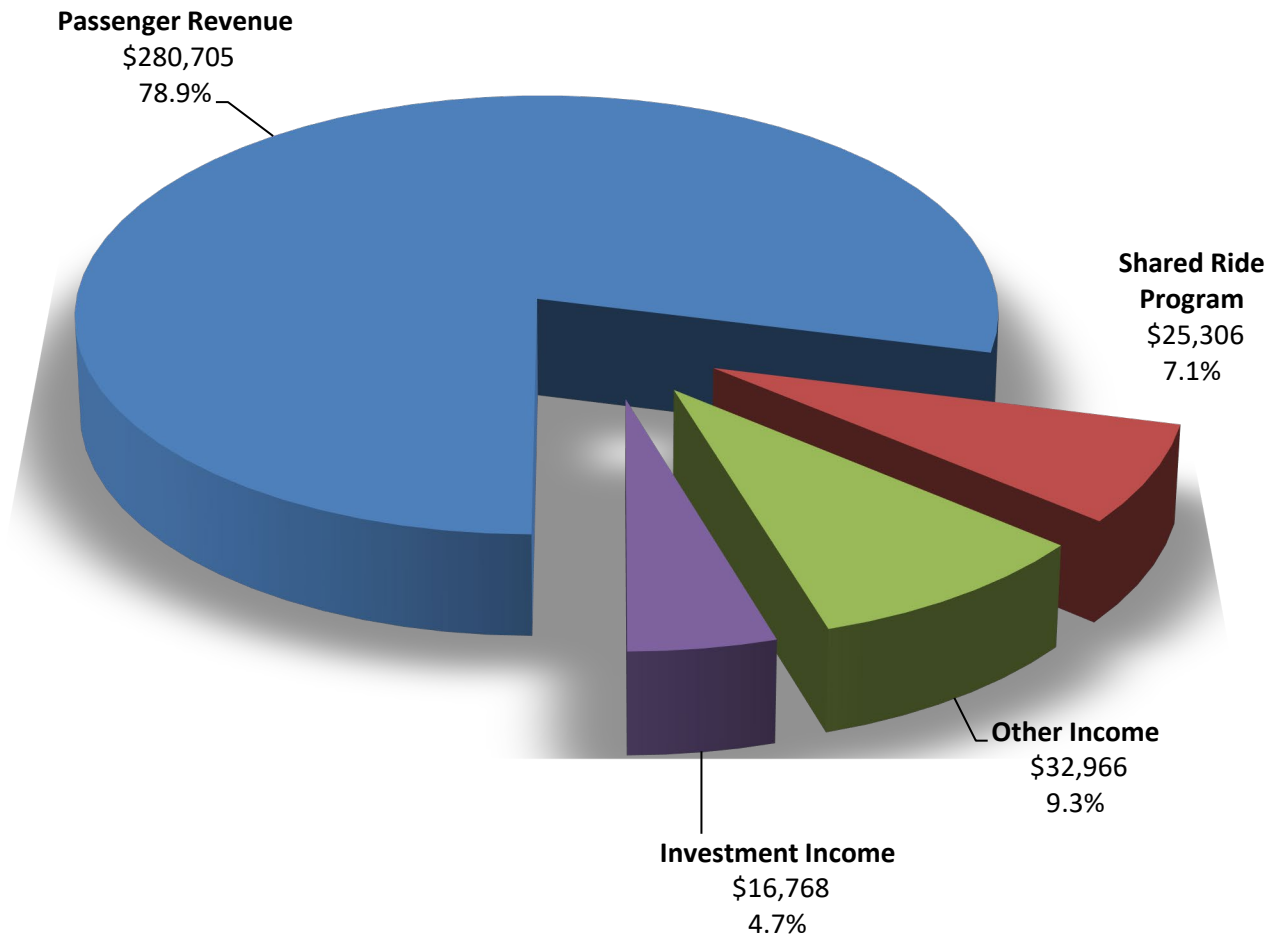
INTRODUCTION

Total subsidies in the Fiscal Year 2024 Operating Budget represent $1,329.9 million and include the following categories: Federal, State, Local, and Other.

ASSUMPTIONS

Federal

In response to the COVID-19 pandemic, three Federal relief bills were passed: The Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020; the Coronavirus Response and Relief Supplemental Act (CRRSA) in January 2021; and the American Relief Plan Act (ARPA) in March 2021. In Fiscal Year 2024, Federal Subsidy is expected to cover 20.6 percent of SEPTA's operating expenses, a significant increase over pre-pandemic fiscal years. The sources of this subsidy are: $289.4 million from the ARPA (This represents the remainder of Federal Operating Relief funds); Federal Relief Funding for Amtrak Leases of $23.2 million (This is the remainder of Federal Relief funding for Amtrak Leases); Federal Capital Lease Subsidy of $28.7 million; Federal Capital Debt Service Subsidy of $6.2 million and $400 thousand from Highway Pass Through Funds.

State

Act 44 provided a dedicated funding solution for public transportation agencies throughout the Commonwealth of Pennsylvania. This legislation created the Pennsylvania Public Transportation Trust Fund (PTTF), which provides SEPTA and public transportation providers throughout the Commonwealth with dedicated annual funding for operating expenses. The PTTF is primarily funded by 4.4 percent of state sales tax receipts.

In November of 2013, the State Legislature passed Act 89, which amended Act 44 and significantly increased funding for SEPTA's Capital Program, allowing SEPTA to address its backlog of unfunded capital projects.

SEPTA and other Pennsylvania transit agencies are allocated state funds as determined by the following formula:

State Allocation Formula

Allocation Category	Allocation Percent
Number of Passengers	**25%**
Number of Senior Citizen Passengers	**10%**
Revenue Vehicle Hours	**35%**
Revenue Vehicle Miles	**30%**
Total	**100%**

Operating assistance is provided through Section 1513 of the PTTF. In addition, the Commonwealth of Pennsylvania provides state funds for capital lease costs and debt service. Although SEPTA's Operating Budget reflects the debt service interest expense, both the principal and interest expenses are funded by the Capital Budget. Some lease costs are funded through the Capital Program, while the remaining leases are funded through Federal Capital Lease Subsidy and Federal Capital Debt Service Subsidy.

7. Detail of Revenue and Subsidies

SEPTA

Local

The local operating subsidy amount is budgeted at the level of 15 percent of the operating assistance portion (Section 1513) of the Trust Fund grant. This is a requirement for SEPTA to receive its full allocation from this state grant. The local subsidy requirement for each of SEPTA's funded divisions (City Transit, Victory, Frontier, and Regional Rail) is determined by the relative deficits before subsidy in each division as adjusted for Route Guarantees and Lease and Debt Service payments.

Within each funded division, the percentage of the local subsidy required from each county is shown in the table below:

Local Operating Subsidy by County				
	City Transit	**Victory**	**Frontier**	**Regional Rail**
Bucks	0.27%	0.00%	37.00%	5.90%
Chester	0.00%	2.00%	17.00%	4.30%
Delaware	0.00%	86.00%	0.00%	8.80%
Montgomery	0.25%	12.00%	46.00%	11.00%
Philadelphia	99.48%	0.00%	0.00%	70.00%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

The Operating Budget also makes an allowance within the standard formula, shown on the previous page, to properly accommodate the four-county utilization of SEPTA's Suburban Paratransit Service operated from the Victory Division. A usage-based allocation formula has been established within the Victory Division for suburban county ADA service. Each suburban county is billed based on the actual ADA Paratransit service used. The prospective utilization for Fiscal Year 2024 is as follows:

Suburban Paratransit Usage by County	
Bucks	22%
Chester	9%
Delaware	45%
Montgomery	24%
Total	**100%**

The City of Philadelphia also provides local match for the ADA Paratransit services as part of the City Transit Division match formula.

Route Guarantee

Route Guarantee Subsidies are payments made under separate agreements between SEPTA and various local entities to fully fund the deficits generated by service extensions implemented by specific request. The Fiscal Year 2024 Route Guarantee Subsidy in the City Transit Division includes a University City partnership between Children's Hospital of Philadelphia (CHOP), Penn Medicine, Hospital of the University of Penn (HUP), University City District (UCD) and their affiliates, which continues the "LUCY" (Loop through University City) circulator.

In the Frontier Division, the Bucks County Transit Improvement Project (TIP) was implemented in Fiscal Year 2001. It represented the restructuring of six routes with funding provided through a separate agreement with the county. Routes 127, 128, 129, and 130 are guaranteed under this agreement.

An agreement with the Delaware Transit Corporation provides for Regional Rail service to Wilmington and Newark, Delaware as an extension of the Wilmington/Newark Line.

Service Stabilization Fund

Pennsylvania Act 44 of 2007 represented a major milestone for transit funding in the Commonwealth by creating a long-term operating funding source which was stable, predictable, and with growth potential. Subsequent to its passage, SEPTA created a Service Stabilization Fund to: 1) ensure long-term fiscal stability for SEPTA's operating budget; 2) maintain service levels through ups and downs of funding levels; and 3) mitigate the risk of future budget crises.

The COVID-19 pandemic has had a profound impact on SEPTA's operating budget. Since 2020, the sustained reductions in ridership and revenue have been covered by one-time non-recurring federal COVID relief funding, which will be exhausted in Spring 2024. The Service Stabilization Fund, which had a balance as of June 30, 2022 of $383 million, equivalent to 22 percent of annual operating expenses or less than three months of operating reserve (GFOA's standard for government agency reserves is 17 percent, and PennDOT's target for SEPTA's operating reserve is 25 percent). The Service Stabilization Fund will be insufficient to balance the magnitude of recurring structural deficits that emerge after federal COVID relief funding is exhausted. Based on current financial projections, the structural gap in the operating budget will balloon to $241 million in Fiscal Year 2025, $259 million in Fiscal Year 2026, $238 million in Fiscal Year 2027, $253 million in Fiscal Year 2028, and $267 million in Fiscal Year 2029.

7. Detail of Revenue and Subsidies

DETAIL OF SUBSIDIES

	Amounts in thousands ('000)				
	City Transit	Victory	Frontier	Regional Rail	Total SEPTA
Federal					
Relief Funding (ARPA)	$193,399	$ 23,442	$ 8,399	$ 64,159	$ 289,399
Relief Funding re:Amtrak Leases	-	-	-	23,239	23,239
Capital Lease Subsidy				28,689	28,689
Debt Service / Highway Pass Through Subsidy	3,636	-	-	2,989	6,625
Subtotal Federal	**$197,035**	**$ 23,442**	**$ 8,399**	**$119,076**	**$ 347,952**
State					
Operating Subsidy - (Section 1513)	$543,243	$ 69,245	$21,449	$172,825	$ 806,762
Lease Cost Subsidy - (Section 1514)	729	69	22	169	989
Debt Service Subsidy - (Section 1514)	23,244	30	-	13,713	36,987
Match - Capital Lease Subsidy - (Section 1514)	-	-	-	6,941	6,941
Match - Capital Debt Service Subsidy - (Section 1514)	783	-	-	723	1,506
Subtotal State	**$567,999**	**$ 69,344**	**$21,471**	**$194,371**	**$ 853,185**
Local					
(Please see subsequent pages for Detail by County)	**$ 82,300**	**$ 10,389**	**$ 3,217**	**$ 26,651**	**$ 122,557**
Other - Route Guarantees	**$ 1,597**	**$ -**	**$ 660**	**$ 3,951**	**$ 6,208**
TOTAL SUBSIDY	**$848,931**	**$103,175**	**$33,747**	**$344,049**	**$1,329,902**

SUMMARY OF OPERATING SUBSIDIES

TOTAL SUBSIDIES = $1,329,902
In Thousands

State
$853,185
64.1%

Federal
$347,952
26.2%

Other
$6,208
0.5%
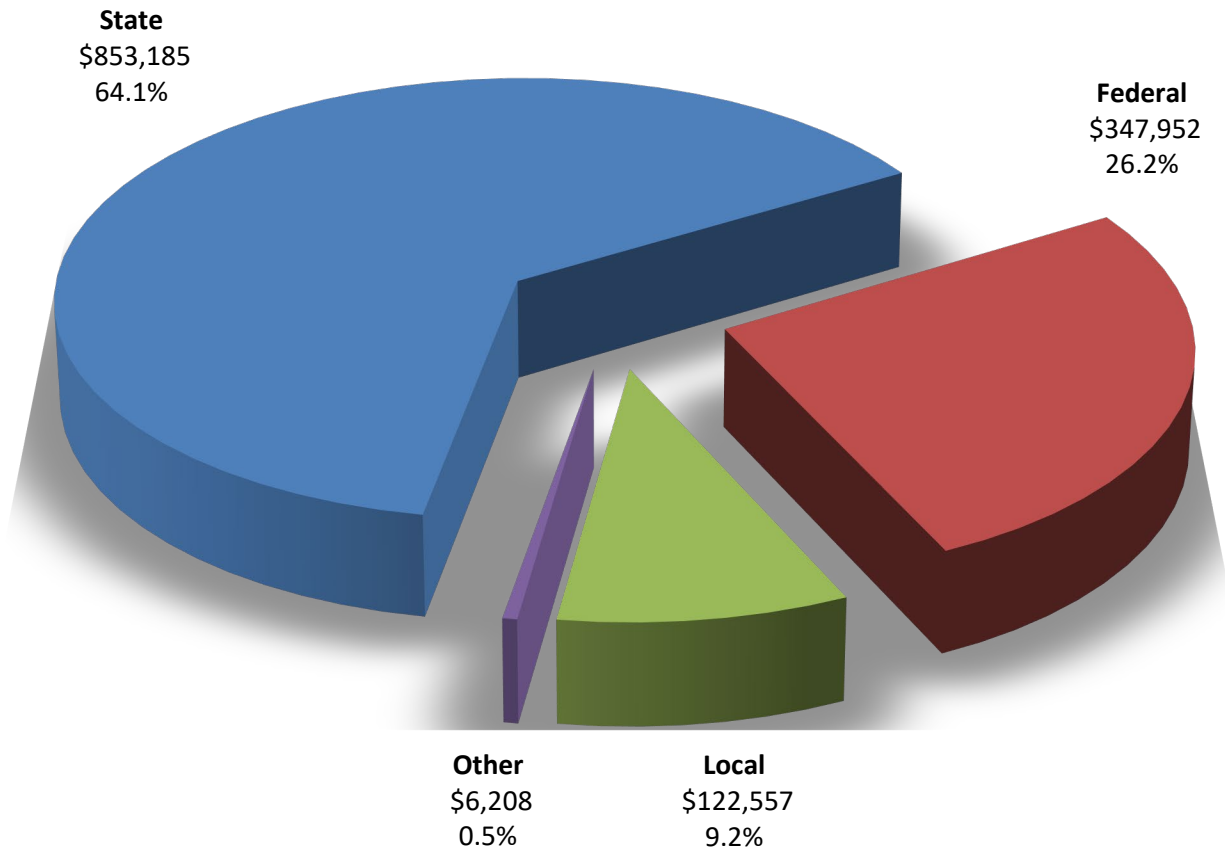
Local
$122,557
9.2%

7. Detail of Revenue and Subsidies

DETAIL OF LOCAL SUBSIDIES AND OTHER BY COUNTY

Amounts in thousands ('000)	City Transit	Victory	Frontier	Regional Rail	Total SEPTA
Base PA Trust Fund Local Match					
Bucks	$ 219	$ -	$ 1,190	$ 1,530	$ 2,939
Chester	-	175	547	1,115	1,837
Delaware	-	7,527	-	2,282	9,809
Montgomery	203	1,049	1,480	2,851	5,583
Philadelphia	81,063	-	-	18,146	99,209
Subtotal	$81,485	$ 8,751	$ 3,217	$25,924	$119,377
Suburban Paratransit Local Match					
Bucks	$ -	$ 360	$ -	$ -	$ 360
Chester	-	147	-	-	147
Delaware	-	732	-	-	732
Montgomery	-	396	-	-	396
Philadelphia	-	-	-	-	-
Subtotal	$ -	$ 1,635	$ -	$ -	$ 1,635
Total Trust Fund Local Subsidy					
Bucks	$ 219	$ 360	$ 1,190	$ 1,530	$ 3,299
Chester	-	322	547	1,115	1,984
Delaware	-	8,259	-	2,282	10,541
Montgomery	203	1,445	1,480	2,851	5,979
Philadelphia	81,063	-	-	18,146	99,209
Total Trust Fund Local Subsidy	**$81,485**	**$10,386**	**$ 3,217**	**$25,924**	**$121,012**
Local Debt Service Subsidy					
Bucks	$ 2	$ -	$ -	$ 29	$ 31
Chester	-	-	-	21	21
Delaware	-	1	-	43	44
Montgomery	2	-	-	54	56
Philadelphia	787	-	-	343	1,130
Subtotal	$ 791	$ 1	$ -	$ 490	$ 1,282
Local Lease Cost Subsidy					
Bucks	$ -	$ -	$ -	$ 14	$ 14
Chester	-	-	-	10	10
Delaware	-	2	-	21	23
Montgomery	-	-	-	27	27
Philadelphia	24	-	-	165	189
Subtotal	$ 24	$ 2	$ -	$ 237	$ 263
Total Debt Service Subsidy	**$ 815**	**$ 3**	**$ -**	**$ 727**	**$ 1,545**
Total Local Subsidy Required	**$82,300**	**$10,389**	**$ 3,217**	**$26,651**	**$122,557**
Total Other Route Guarantees	**$ 1,597**	**$ -**	**$ 660**	**$ 3,951**	**$ 6,208**

7. Detail of Revenue and Subsidies

SUMMARY OF LOCAL SUBSIDIES BY COUNTY

Amounts in thousands ('000)	City Transit	Victory	Frontier	Regional Rail	Total SEPTA
Total Local Subsidy					
Bucks	$ 221	$ 360	$ 1,190	$ 1,573	$ 3,344
Chester	-	322	547	1,146	2,015
Delaware	-	8,262	-	2,346	10,608
Montgomery	205	1,445	1,480	2,932	6,062
Philadelphia	81,874	-	-	18,654	100,528
Subtotal	**$82,300**	**$10,389**	**$ 3,217**	**$26,651**	**$122,557**

Summary of Local Subsidies By County
Total = $122,557
In Thousands

Philadelphia 82.0%
Delaware 8.7%
Montgomery 5.0%
Bucks 2.7%
Chester 1.6%
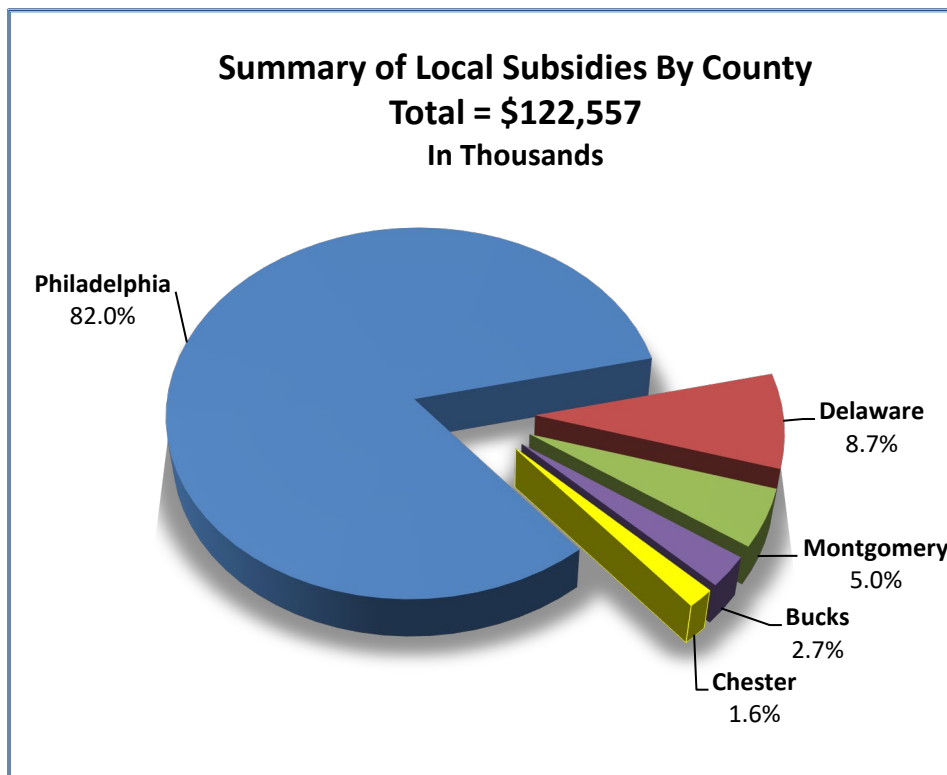
The total local subsidy required for the Fiscal Year 2024 Operating Budget is comprised of the following:

Total Trust Fund Local Subsidy (15% Match of Section 1513)	$ 121,012
Total Local Lease Cost Subsidy	263
Debt Service Subsidy Local Match	1,282
Total Local Subsidy Required	**$ 122,557**

TEN YEAR EXPENSE TRENDS

In developing the Operating Budget, SEPTA considers historical trends in major expense categories, as illustrated in the following charts:

Amounts in Millions

Net Labor and Fringe Benefits

Year	Amount
2015	$933.3
2016	$959.5
2017	$970.8
2018	$991.4
2019	$1,008.8
2020	$1,000.5
2021	$1,005.9
2022	$1,039.4
2023 Budget	$1,081.2
2024 Proposal	$1,135.3

Departmental Material & Services

Year	Amount
2015	$128.8
2016	$129.4
2017	$132.2
2018	$141.9
2019	$151.9
2020	$147.0
2021	$142.4
2022	$174.4
2023 Budget	$234.1
2024 Proposal	$234.1

Fuel

Year	Amount
2015	$43.8
2016	$34.3
2017	$23.9
2018	$24.4
2019	$27.8
2020	$25.6
2021	$20.9
2022	$23.7
2023 Budget	$31.6
2024 Proposal	$31.4
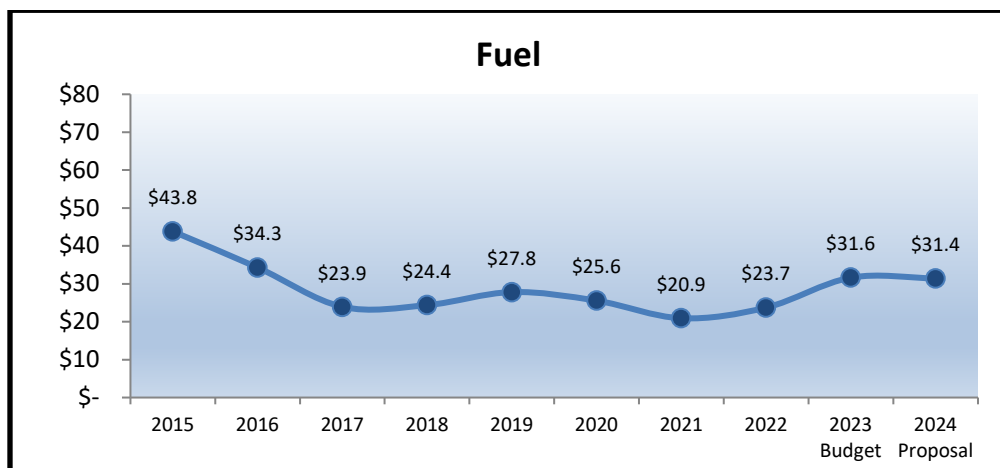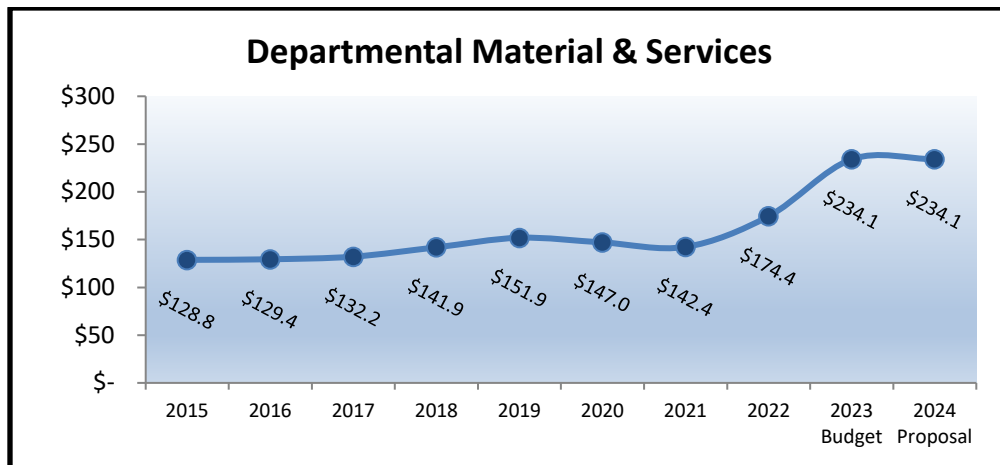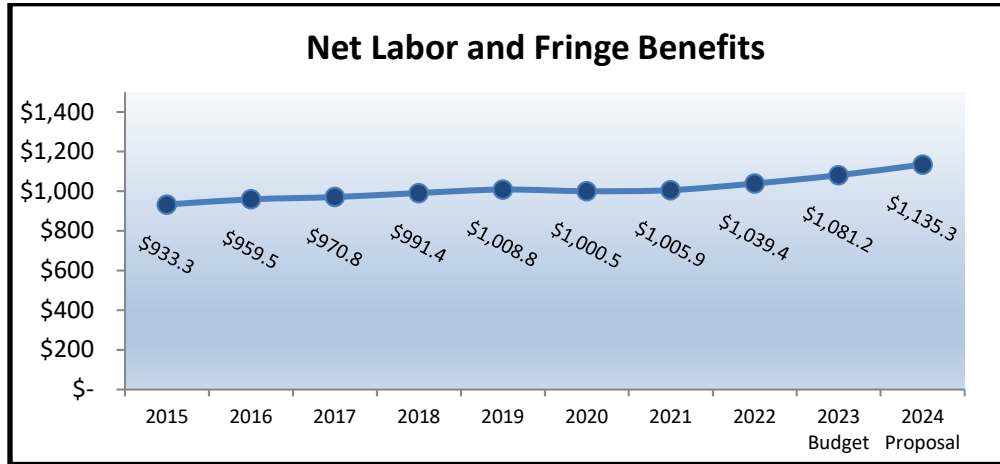
TEN YEAR EXPENSE TRENDS cont.

Amounts in Millions

Propulsion Power

Values by year:
- 2015: $32.1
- 2016: $32.8
- 2017: $31.6
- 2018: $30.0
- 2019: $29.8
- 2020: $25.4
- 2021: $24.7
- 2022: $23.9
- 2023 Budget: $32.8
- 2024 Proposal: $39.6

Injury and Damage Claims

Values by year:
- 2015: $15.9
- 2016: $5.6
- 2017: $24.0
- 2018: $21.9
- 2019: $16.5
- 2020: $36.7
- 2021: $21.8
- 2022: $22.8
- 2023 Budget: $28.8
- 2024 Proposal: $28.3

AMTRAK Trackage Access

Values by year:
- 2015: $28.6
- 2016: $41.1
- 2017: $45.8
- 2018: $45.6
- 2019: $49.6
- 2020: $56.1
- 2021: $45.7
- 2022: $23.6
- 2023 Budget: $55.8
- 2024 Proposal: $59.1

SUMMARY OF OPERATING EXPENSES

TOTAL OPERATING EXPENSES = $1,685,647
In Thousands

Labor and Fringe
$1,135,259
67.3%

Material and
Services
$419,562
24.9%

Vehicle and Facility
Rentals
$4,732
0.3%

Fuel
$31,436
1.9%

Depreciation/
Contributed Capital
$26,716
1.6%

Propulsion Power
$39,603
2.3%

Injury and Damage
Claims
$28,339
1.7%
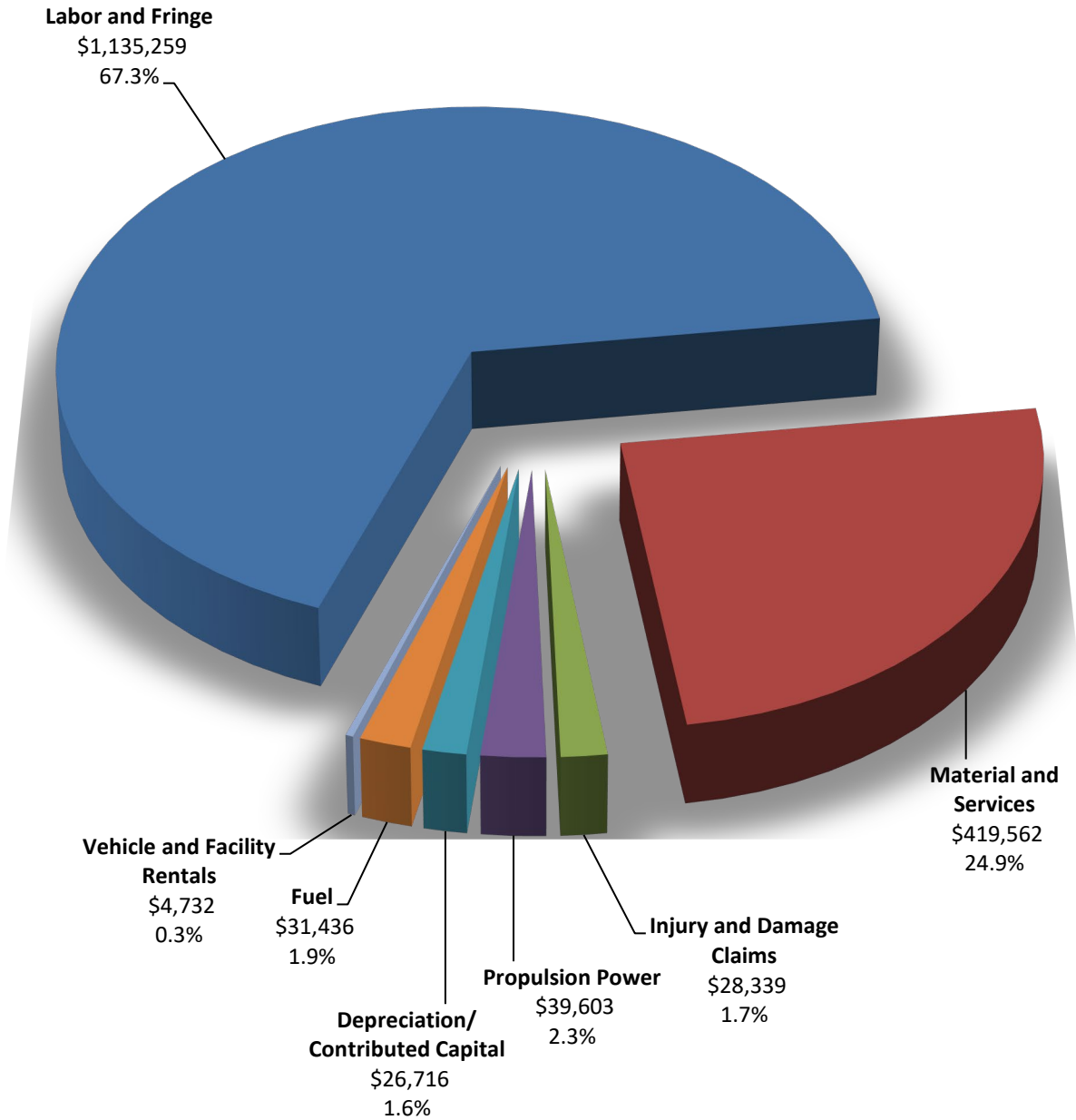
FY 2024 BUDGET PROPOSAL ALLOCATION BY COMPANY IN 000'S

Division/Departmental Expenses	1100	2100	2200	2300	3100	Total
Operations						
Rail Operations	$ 12	$ 110,418	$ 40,248	$ 139	$ 113,291	$ 264,108
Bus Operations & Access	10,651	267,504	9,128	19,594	3	306,880
Administration, Finance And Support	9,233	7,906	74	-	11,046	28,259
Bridges And Buildings	1,243	89,307	3,007	-	8,385	101,942
Maintenance Of Way	24	38,419	5,423	-	22,549	66,415
Transit Police Department	33,408	-	-	-	-	33,408
Control Center	493	4,615	388	-	4,848	10,344
Total Operations	**$ 55,064**	**$ 518,169**	**$ 58,268**	**$ 19,733**	**$ 160,122**	**$ 811,356**
Human Resources	**$ 15,768**	**$ 4,681**	**$ 498**	**$ 83**	**$ 2,654**	**$ 23,684**
Finance	**$ 58,602**	**$ 645**	**$ -**	**$ -**	**$ 14,999**	**$ 74,246**
Office Of General Counsel	**$ 35,934**	**$ 8,284**	**$ 319**	**$ 200**	**$ 2,730**	**$ 47,467**
Corporate Staff	**$ 18,862**	**$ -**	**$ -**	**$ -**	**$ 86**	**$ 18,948**
System Safety	**$ 3,559**	**$ -**	**$ -**	**$ -**	**$ 127**	**$ 3,686**
Office Of Inspector General	**$ 2,976**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,976**
Planning & Strategy	**$ 12,389**	**$ 245**	**$ 247**	**$ -**	**$ 1,003**	**$ 13,884**
Equity & Inclusion	**$ 1,528**	**$ 3**	**$ -**	**$ -**	**$ -**	**$ 1,531**
Capital Labor Allocation/Rental Reclassification	(35,282)	(3,723)	(357)	(44)	(1,464)	(40,870)
Headquarters Allocation	(169,400)	125,644	11,130	3,574	29,052	-
Total Departmental Expenses	**$ -**	**$ 653,948**	**$ 70,105**	**$ 23,546**	**$ 209,309**	**$ 956,908**
Non-Departmental Expenses						
Fringe Benefits	$ 65,695	$ 239,034	$ 22,333	$ 9,703	$ 75,686	$ 412,451
Amtrak	-	-	-	-	59,100	59,100
CCT - ADA Services	-	15,042	12,245	-	-	27,287
CCT - Shared Ride Program	-	18,587	-	-	-	18,587
Debt Service Interest and Fees	1,974	10,616	141	50	19,880	32,661
Property Insurance/Other Claims Payouts, Net	4,496	1,872	229	33	1,047	7,677
Services for Headquarters' Building	6,195	-	-	-	-	6,195
Snow Removal and Other Weather Related Expenses	-	-	-	-	5,650	5,650
Utilities	13,427	10,347	1,009	224	6,503	31,510
Capitalized Costs and Other	(3,075)	219	3	7	(359)	(3,205)
Headquarters Allocation	(88,712)	65,798	5,828	1,873	15,213	-
Total Non-Departmental Expenses	**$ -**	**$ 361,515**	**$ 41,788**	**$ 11,890**	**$ 182,720**	**$ 597,913**
Other Operating Expenses						
Injury and Damage Claims	$ -	$ 13,162	$ 1,147	$ 377	$ 13,653	$ 28,339
Propulsion Power	-	17,419	1,996	-	20,188	39,603
Fuel	-	23,515	4,365	2,939	617	31,436
Vehicle and Facility Rentals	-	3,156	309	21	1,246	4,732
Depreciation/Contributed Capital	-	17,659	384	85	8,588	26,716
Total Other Operating Expenses	**$ -**	**$ 74,911**	**$ 8,201**	**$ 3,422**	**$ 44,292**	**$ 130,826**
TOTAL EXPENSES	**$ -**	**$1,090,374**	**$ 120,094**	**$ 38,858**	**$ 436,321**	**$1,685,647**

8. Detail of Expenses

FY 2024 BUDGET PROPOSAL EXPENSES IN 000'S

Division/Departmental Expenses	Labor and Fringe		Material and Services		Total	
Operations						
Rail Operations	$	236,494	$	27,614	$	264,108
Bus Operations & Access		268,919		37,961		306,880
Administration, Finance And Support		7,693		20,566		28,259
Bridges And Buildings		52,431		49,511		101,942
Maintenance Of Way		57,609		8,806		66,415
Transit Police Department		25,723		7,685		33,408
Control Center		10,291		53		10,344
Total Operations	**$**	**659,160**	**$**	**152,196**	**$**	**811,356**
Human Resources	**$**	**19,031**	**$**	**4,653**	**$**	**23,684**
Finance	**$**	**36,595**	**$**	**37,651**	**$**	**74,246**
Office Of General Counsel	**$**	**19,228**	**$**	**28,239**	**$**	**47,467**
Corporate Staff	**$**	**13,716**	**$**	**5,232**	**$**	**18,948**
System Safety	**$**	**2,503**	**$**	**1,183**	**$**	**3,686**
Office Of Inspector General	**$**	**2,871**	**$**	**105**	**$**	**2,976**
Planning & Strategy	**$**	**4,884**	**$**	**9,000**	**$**	**13,884**
Equity & Inclusion	**$**	**958**	**$**	**573**	**$**	**1,531**
Capital Labor Allocation/Rental Reclassification		(36,138)		(4,732)		(40,870)
Total Departmental Expenses	**$**	**722,808**	**$**	**234,100**	**$**	**956,908**
Non-Departmental Expenses						
Fringe Benefits	$	412,451	$	-	$	412,451
Amtrak		-		59,100		59,100
CCT - ADA Services		-		27,287		27,287
CCT - Shared Ride Program		-		18,587		18,587
Debt Service Interest and Fees		-		32,661		32,661
Property Insurance/Other Claims Payouts, Net		-		7,677		7,677
Services for Headquarters' Building		-		6,195		6,195
Snow Removal and Other Weather Related Expenses		-		5,650		5,650
Utilities		-		31,510		31,510
Capitalized Costs and Other		-		(3,205)		(3,205)
Total Non-Departmental Expenses	**$**	**412,451**	**$**	**185,462**	**$**	**597,913**
Other Operating Expenses						
Injury and Damage Claims	$	-	$	28,339	$	28,339
Propulsion Power		-		39,603		39,603
Fuel		-		31,436		31,436
Vehicle and Facility Rentals		-		4,732		4,732
Depreciation/Contributed Capital		-		26,716		26,716
Total Other Operating Expenses	**$**	**-**	**$**	**130,826**	**$**	**130,826**
TOTAL EXPENSES	**$**	**1,135,259**	**$**	**550,388**	**$**	**1,685,647**

8. Detail of Expenses

FY 2023 BUDGET IN 000'S

Division/Departmental Expenses	Labor and Fringe		Material and Services		Total	
Operations						
Rail Operations	$	228,400	$	30,272	$	258,672
Bus Operations & Access		269,634		35,886		305,520
Administration, Finance And Support		6,878		612		7,490
Bridges And Buildings		49,997		48,706		98,703
Maintenance Of Way		54,666		20,526		75,192
Transit Police Department		26,428		11,028		37,456
Control Center		9,941		218		10,159
Total Operations	$	645,944	$	147,248	$	793,192
Human Resources	$	18,428	$	3,986	$	22,414
Finance	$	35,466	$	37,431	$	72,897
Office Of General Counsel	$	18,314	$	37,352	$	55,666
Corporate Staff	$	12,671	$	5,054	$	17,725
System Safety	$	2,163	$	968	$	3,131
Office Of Inspector General	$	2,633	$	105	$	2,738
Planning & Strategy	$	5,132	$	10,042	$	15,174
Equity & Inclusion	$	1,302	$	73	$	1,375
Capital Labor Allocation/Rental Reclassification		(60,913)		(8,200)		(69,113)
Total Departmental Expenses	$	681,140	$	234,059	$	915,199
Non-Departmental Expenses						
Fringe Benefits	$	400,072	$	-	$	400,072
Amtrak		-		55,765		55,765
CCT - ADA Services		-		24,437		24,437
CCT - Shared Ride Program		-		16,521		16,521
Debt Service Interest and Fees		-		33,341		33,341
Property Insurance/Other Claims Payouts, Net		-		8,485		8,485
Services for Headquarters' Building		-		6,282		6,282
Snow Removal and Other Weather Related Expenses		-		5,650		5,650
Utilities		-		22,268		22,268
Capitalized Costs and Other		-		(3,205)		(3,205)
Total Non-Departmental Expenses	$	400,072	$	169,544	$	569,616
Other Operating Expenses						
Injury and Damage Claims	$	-	$	28,795	$	28,795
Propulsion Power		-		32,838		32,838
Fuel		-		31,626		31,626
Vehicle and Facility Rentals		-		8,200		8,200
Depreciation/Contributed Capital		-		24,260		24,260
Total Other Operating Expenses	$	-	$	125,719	$	125,719
TOTAL EXPENSES	$	1,081,212	$	529,322	$	1,610,534

FY 2022 ACTUAL EXPENSES IN 000'S

Division/Departmental Expenses	Labor and Fringe		Material and Services		Total	
Operations						
Rail Operations	$	206,196	$	26,102	$	232,298
Bus Operations & Access		244,849		34,203		279,052
Administration, Finance And Support		3,287		958		4,245
Bridges And Buildings		45,317		8,259		53,576
Maintenance Of Way		53,460		20,355		73,815
Transit Police Department		19,557		6,180		25,737
Control Center		8,968		29		8,997
Total Operations	$	581,634	$	96,086	$	677,720
Human Resources	$	17,349	$	1,997	$	19,346
Finance	$	29,257	$	29,171	$	58,428
Office Of General Counsel	$	16,591	$	39,565	$	56,156
Corporate Staff	$	11,461	$	4,758	$	16,219
System Safety	$	1,853	$	1,012	$	2,865
Office Of Inspector General	$	2,134	$	94	$	2,228
Planning & Strategy	$	4,302	$	9,045	$	13,347
Equity & Inclusion	$	831	$	87	$	918
Capital Labor Allocation/Rental Reclassification		(6,188)		(7,388)		(13,576)
Total Departmental Expenses	$	659,224	$	174,427	$	833,651
Non-Departmental Expenses						
Fringe Benefits	$	380,154	$	-	$	380,154
Amtrak		-		23,575		23,575
CCT - ADA Services		-		21,640		21,640
CCT - Shared Ride Program		-		14,254		14,254
Debt Service Interest and Fees		-		14,121		14,121
Property Insurance/Other Claims Payouts, Net		-		10,888		10,888
Services for Headquarters' Building		-		6,255		6,255
Snow Removal and Other Weather Related Expenses		-		1,769		1,769
Utilities		-		18,887		18,887
Capitalized Costs and Other		-		(2,402)		(2,402)
Total Non-Departmental Expenses	$	380,154	$	108,987	$	489,141
Other Operating Expenses						
Injury and Damage Claims	$	-	$	22,808	$	22,808
Propulsion Power		-		23,906		23,906
Fuel		-		23,731		23,731
Vehicle and Facility Rentals		-		7,388		7,388
Depreciation/Contributed Capital		-		24,515		24,515
Total Other Operating Expenses	$	-	$	102,348	$	102,348
TOTAL EXPENSES	$	1,039,378	$	385,762	$	1,425,140

HEADCOUNT DESIGNATIONS

Organization Overview

The organization, staffing, and expenses are shown for each division in the Departmental Summaries Section, including subtotals by department. Total headcount is further segregated by Operating versus Capital. The following definitions shall apply throughout this section:

Management	Supervisory, administrative, and management employees.
Clerical	Unionized clerical, storeroom, and customer service agent employees.
Maintenance Transportation, or Cashiers	Unionized maintenance and transportation employees, cashiers, and police officers.
Capital	Positions supported by federal, state, or local capital funding initiatives.

The Fiscal Year 2024 authorized headcount is at 9,768 employees, a reduction of 82 from Fiscal Year 2023. The authorized headcount reflects a combination of expense-reduction efforts geared towards right-sizing the organization as federal COVID relief is exhausted, offset by targeted investments in:
- **Safety** as the top priority across the organization
- A new **Equity & Inclusion** division
- Extensive **Employee Recruitment & Retention** efforts in the Human Resources division
- Ramping up an expanded **Capital Program** in the Operations division
- Adoption of **New Technologies**, especially in the Office of General Counsel
- Ongoing implementation of an **Efficiency & Accountability** program in the Finance Division, Office of Inspector General, and across the organization

9. Headcount Authorizations

FISCAL YEAR 2024 OPERATING HEADCOUNT

	OPERATING HEADCOUNT					
	Mgmt.	**Clerical**	**Maint.**	**Transp.**	**Cashier**	**Total**
Rail Operations	282	68	480	1,640	305	2,775
Bus Operations & Access	319	28	735	2,219	-	3,301
Administration, Finance and Support	73	-	-	-	-	73
Bridges & Buildings	112	12	560	-	-	684
Maintenance of Way	93	55	499	-	-	647
Transit Police	68	-	178	-	-	246
Control Center	91	11	-	4	-	106
Total Operations	**1,038**	**174**	**2,452**	**3,863**	**305**	**7,832**
Corporate Staff	66	64	2	-	-	132
Equity and Inclusion	8	-	-	-	-	8
Finance	263	132	52	-	-	447
Human Resources	180	16	5	-	-	201
Office of General Counsel	171	27	-	-	-	198
Office of Inspector General	24	-	3	-	-	27
Planning and Strategy	45	10	-	-	-	55
System Safety	24	-	-	-	-	24
Total Headcount	**1,819**	**423**	**2,514**	**3,863**	**305**	**8,924**

FISCAL YEAR 2024 CAPITAL HEADCOUNT

	CAPITAL HEADCOUNT					
	Mgmt.	**Clerical**	**Maint.**	**Transp.**	**Cashier**	**Total**
Rail Operations	32	-	146	4	-	182
Bus Operations & Access	19	-	75	1	-	95
Administration, Finance and Support	24	-	-	-	-	24
Bridges & Buildings	73	1	109	-	-	183
Maintenance of Way	90	7	209	-	-	306
Transit Police	1	-	16	-	-	17
Control Center	-	-	-	-	-	-
Total Operations	**239**	**8**	**555**	**5**	**0**	**807**
Corporate Staff	4	-	-	-	-	4
Equity and Inclusion	6	-	-	-	-	6
Finance	15	-	-	-	-	15
Human Resources	-	-	-	-	-	-
Office of General Counsel	1	-	-	-	-	1
Office of Inspector General	-	-	-	-	-	-
Planning and Strategy	8	-	-	-	-	8
System Safety	3	-	-	-	-	3
Total Headcount	**276**	**8**	**555**	**5**	**0**	**844**

9. Headcount Authorizations

FISCAL YEAR 2024 TOTAL HEADCOUNT

	Mgmt.	Clerical	Maint.	Transp.	Cashier	Total
TOTAL HEADCOUNT						
Rail Operations	314	68	626	1,644	305	2,957
Bus Operations & Access	338	28	810	2,220	-	3,396
Administration, Finance and Support	97	-	-	-	-	97
Bridges & Buildings	185	13	669	-	-	867
Maintenance of Way	183	62	708	-	-	953
Transit Police	69	-	194	-	-	263
Control Center	91	11	-	4	-	106
Total Operations	**1,277**	**182**	**3,007**	**3,868**	**305**	**8,639**
Corporate Staff	70	64	2	-	-	136
Equity and Inclusion	14	-	-	-	-	14
Finance	278	132	52	-	-	462
Human Resources	180	16	5	-	-	201
Office of General Counsel	172	27	-	-	-	199
Office of Inspector General	24	-	3	-	-	27
Planning and Strategy	53	10	-	-	-	63
System Safety	27	-	-	-	-	27
Total Headcount	**2,095**	**431**	**3,069**	**3,868**	**305**	**9,768**

10. Divisional Summaries

CORPORATE STAFF

Overview
SEPTA's Corporate Staff consists of a team of experienced transit professionals who are dedicated to providing vision and guidance to the Authority, while optimizing the best use of limited resources. The Corporate Staff strives to partner with stakeholders to promote public transit service as a cost-effective, viable travel option for access to work, school, medical service, shopping, leisure activities and tourism. The Corporate Staff is also committed to operating and managing a system which meets the highest standards for customer and employee safety while providing quality services.
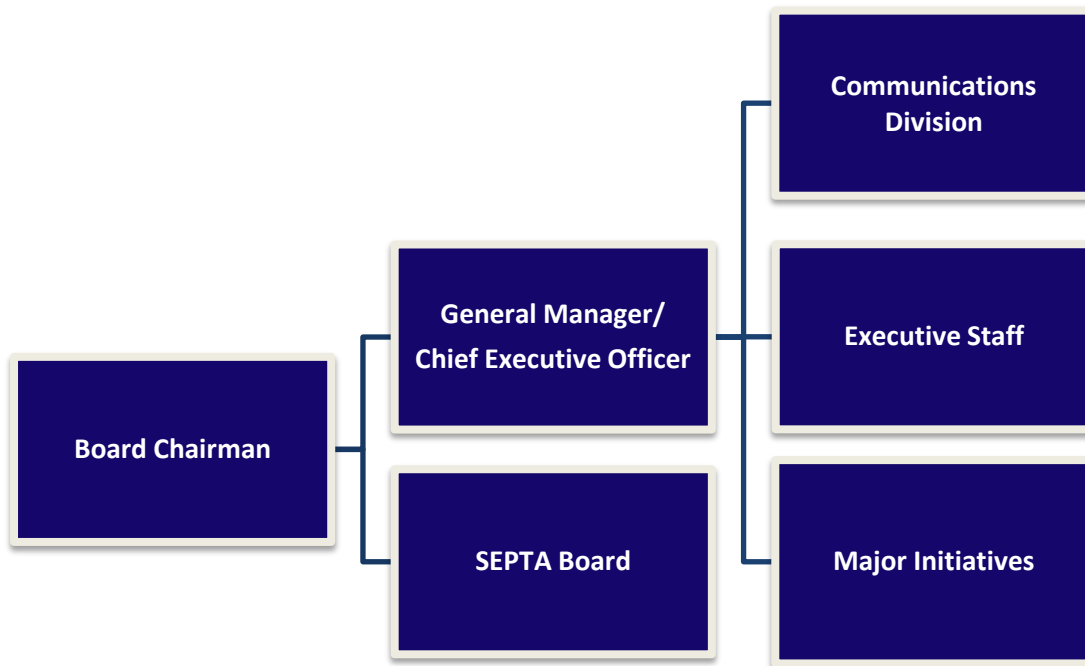
Corporate Staff	Heads	Net Labor	Non-Labor	Total
Communications Division	115	$ 9,225	$ 4,816	$ 14,041
Corporate Staff: GM and Executive Staff	14	$ 3,260	$ 335	$ 3,595
Major Initiatives	2	$ 186	$ 21	$ 207
SEPTA Board	5	$ 1,045	$ 60	$ 1,105
Total	**136**	**$ 13,716**	**$ 5,232**	**$ 18,948**

$ Amounts in Thousands ('000)

10. Divisional Summaries

Principal Responsibilities

SEPTA Board
Prepares and attests to all Board documentation generated from committee and Board meetings as well as advising and consulting with the Board on all Board-related matters. The Board staff includes a Secretary to the Board, an Assistant Secretary to the Board, a Controller to the Board, and a Board and Government Liaison.

Communications Division
The Communications Division is responsible for the development, implementation, and coordination of SEPTA internal and external communications across agency initiatives and operations. Communications are informed by customer service activity as well as other research and analytics. The Division is comprised of **Customer Experience and Advocacy, Integrated Communications Programs, Marketing & Advertising, Media Relations, Service Information Design, Communications Services, and Graphics & Print Services**. The Graphics, Print and Sign Shop team oversees the development of customer information brochures, posters and notices, system signage, way-finding information, and maps. The Division manages the editorial content, new features, graphics, navigation, and editorial content for SEPTA Internet and Intranet websites. It is also responsible for preparing communications for distribution to employees through broadcast messages, SEPTANow text messaging, posters, and flyers. The Division produces videos and provides still photography for a broad range of internal and external distribution points, directs the Art-in-Transit program, and manages Graphics, Printing Services, the Sign Shop and Fulfillment operations.

Integrated Communications Programs
Integrated Communications Programs ensures Agency outreach channels are optimized and in synch regarding messaging to create maximum impact. To ensure effective support of initiatives and operations that involve marketing and communications outreach, the Integrated Communication Programs team facilitates the strategy, planning and utilization of advertising, media relations, internal comms, digital properties, and marketing. Understanding the scope and objectives of stakeholder initiatives helps avoid siloed activity and builds synergy across Communications channels.

Marketing and Advertising
The Marketing and Advertising department uses innovative and attention-grabbing promotional campaigns to build awareness about SEPTA service. The team utilizes offline and online media, event marketing, loyalty programs, industry-leading social media engagement, and strategic partnerships with area sports teams, businesses, and cultural institutions. The team leverages existing Agency real estate assets to generate incremental sponsorship and naming rights revenue.

Media Relations
This department is responsible for informing customers and the general public about SEPTA service and for developing a communications strategy that promotes the Authority locally, regionally and nationally. Staff works in coordination with key internal departments to tell SEPTA's story. They build and strengthen relationships with the media through news conferences and events, creating press releases and other content, and distributing information on SEPTA's website and various social media platforms. The department prioritizes transparency and accessibility, responding to media inquiries 24 hours a day, seven days a week.

Customer Experience and Advocacy

Customer Development and Advocacy
This department advances the Customer Experience through a number of interdivisional initiatives, customer outreach/engagement, developing new markets, supporting Covid-19 ridership recovery

efforts, and managing customer advocacy and stakeholder relations. It also coordinates "Building a SEPTA Community of Service and Camaraderie" (BASCSC), the Authority's relationships with Mural Arts and other artistic groups. This department provides staff support and guidance to the Citizen Advisory Committee and the Youth Advisory council, as well as number of urbanist and enthusiast groups that have strong transit agendas.

Customer Service

The Customer Contact Center is open daily and responsible for responding to all inquiries and concerns received via telephone, email, web form, letter, and social media. There are four sections. The agents in the Telephone Information Center provide travel information, while the Contact Center Specialists handle all complaints, commendations, and suggestions. The CCT Agents support our paratransit customers. The Social Media Specialists engage customers on all issues. They also produce and use a variety of techniques to build social relationships and perform sophisticated "Customer Intelligence & Analysis: (CIA) research on trending topics that may potentially impact the Authority. The Contact Center staff works closely with the SEPTA Key Call Center. The department also manages seven field locations at major transit hubs where agents engage and support customers.

Service Information Design

This department serves as the clear owner of service communications to address one of the most critical gaps in our customer experience. A key immediate focus of this department is the implementation of the agency's Wayfinding initiative and the establishment of a defined process for customer navigation through planned detours.

Communications Services

The Communications Department oversees digital assets and customer communications, as well as consumer research that helps the organization ascertain customer priorities, satisfaction levels, and overall loyalty.

Digital Assets

Provides day to day management of SEPTA.org, the public website; SEPTANow, employee intranet; and employee messaging systems. The team provides editorial support to internal departments for customer and employee communications across multiple formats.

Consumer Market Research and Analysis

Understanding the needs and expectations of a business' customers is vital to success. This unit uses qualitative and quantitative research, plus audits by service quality staff, to support the goals of the Division as well as other SEPTA business units. It also oversees the Service Quality Unit, SEPTA's "Secret Shoppers" that assesses all aspects of the Customer Experience, anywhere and anytime.

Graphics and Print Services

Graphic Services

Provide creative concept, design, layout, and pre-production services for all departments in the Authority for a vast range of projects including brochures, leaflets, posters, maps, signage, sales materials, and specialty projects. Manages corporate branding program for letterhead, business cards, PowerPoint templates; creates logos and other branding materials for corporate initiatives. Responsible for graphic design of the SEPTA Internet and Intranet websites.

Fulfillment Services
Provide direct mail service to customers, internal SEPTA departments and constituents requesting bulk distribution of transit timetables, customer service notices and other brochures and leaflets produced by the Authority.

Print and Sign Shops
Internal production operations for Authority departments and operations. The Print Shop is responsible for printing approximately 7 million transit schedules each year as well as customer brochures, posters, leaflets, maps, mass distribution employee memos, forms and corporate business cards and stationery. The Sign Shop is responsible for producing a variety of system and vehicle signs, decals, posters, and banners.

Executive Staff
Manages and directs the daily functions of the Authority. Executive Staff includes the division leaders reporting directly to the General Manager, as well as the Chief of Staff. Collectively, they are responsible for the operation, administration, and financial management of the Authority.

Major Initiatives
This department provides high-level oversight of all major project and initiatives across the Authority. This includes ensuring accountability and progress, communication of the status of projects, and facilitating appropriate collaboration by internal and external stakeholders.

EQUITY AND INCLUSION

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┌─────────────────────────┐         ┌─────────────────────────────────┐
│                         │         │  Disadvantaged Business         │
│                         │─────────│  Enterprise Program             │
│  Chief Equity and       │         └─────────────────────────────────┘
│  Inclusion Officer      │
│                         │         ┌─────────────────────────────────┐
│                         │─────────│  Diversity Equity and           │
│                         │         │  Belonging                      │
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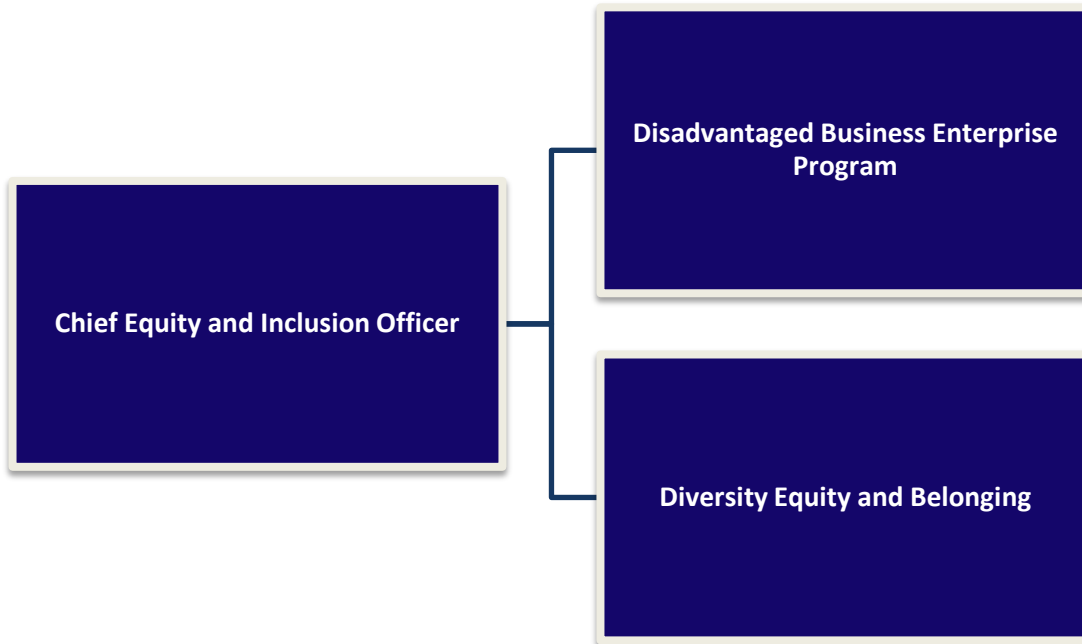
SEPTA has hired its first Chief Equity and Inclusion Officer (CEIO). Reporting directly to the General Manager/CEO, this critical role will be charged with creating the vision, leadership, and direction of our diversity and equity programs. Based at our corporate headquarters in Center City Philadelphia, the CEIO will champion the Diversity Equity and Belonging (DEB) strategy, Disadvantaged Business Enterprise (DBE) programs, and other similarly focused efforts that further SEPTA's commitment to fostering an inclusive culture. He/She/They will collaborate with SEPTA's management team to fulfill the goal of serving as an economic equalizer and important catalyst for the equitable future of the greater Philadelphia region.

Disadvantaged Business Enterprise Program Office (DBEPO)

Disadvantaged Business Enterprise Certification
Participates as one of five principal certifying agencies within the Commonwealth of Pennsylvania to provide one-stop shopping for firms seeking certification as a Disadvantaged Business Enterprise in accordance with 49 CFR Parts 26 and 23. Represents the Authority as a managing member of the Commonwealth of Pennsylvania's Unified Certification Program (PA UCP).

Small Business Enterprise (SBE) Program
Administers the SBE Program to meaningfully involve small business concerns in procurement and contracting activities towards increasing the race-neutral portion of the Authority's overall DBE goal.

DBE Compliance

Reviews solicitations to ensure the meaningful involvement of DBE firms in the Authority's procurement and contracting activities; establishes goals for applicable projects, evaluates bid/proposal submissions for adherence to DBE requirements, monitors projects for DBE goal achievement, and ensures equitable treatment of DBE firms performing on contracts.
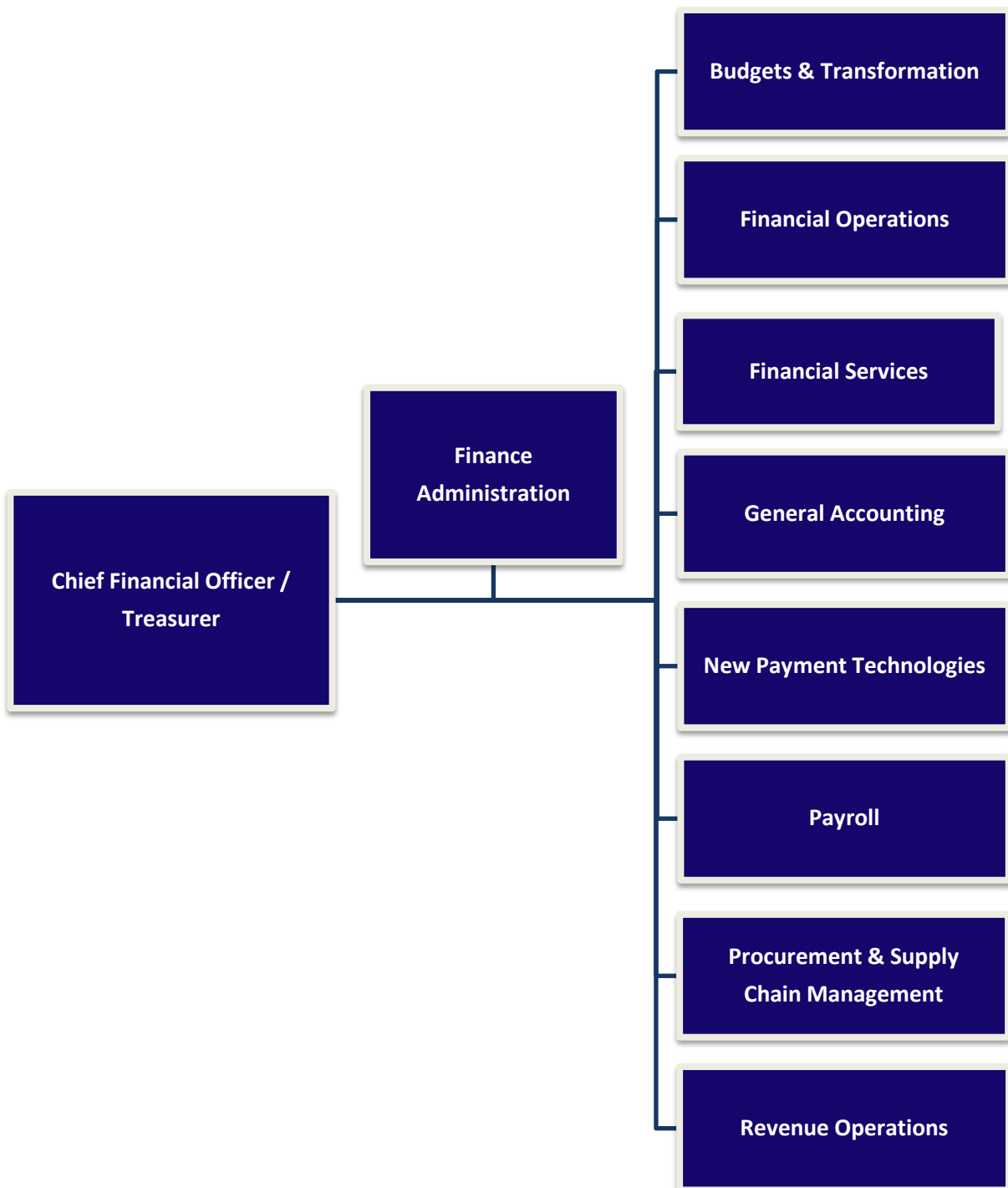
DBE Program Outreach

Provides technical assistance, guidance, and resources to all small businesses interested in pursuing contracting opportunities; coordinates internal and external outreach events; facilitates workshops and networking events for prime contractors, DBEs, and SBEs.

FINANCE

Overview

The Finance Division develops and then monitors results for the Authority's Operating and Capital Budgets, and federal, state, and local grants. The Division oversees all financial services, including the preparation of monthly and annual financial statements.

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                                                    ┌──────────────────────────┐
                                                    │  Budgets & Transformation │
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                                                    │   Financial Operations    │
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                                                    ┌──────────────────────────┐
                                                    │    Financial Services     │
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  ┌──────────────────────┐                          │  New Payment Technologies │
  │ Chief Financial       │                         └──────────────────────────┘
  │ Officer / Treasurer   │                         ┌──────────────────────────┐
  └──────────────────────┘                          │          Payroll          │
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                                                    │   Procurement & Supply    │
                                                    │     Chain Management      │
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                                                    ┌──────────────────────────┐
                                                    │    Revenue Operations     │
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10. Divisional Summaries

$ Amounts in Thousands ('000)

Finance	Heads	Net Labor	Non-Labor	Total
Billing/Accounts Payable	22	$ 1,761	$ 634	$ 2,395
Capital Budget And Grant Development	6	$ 499	$ 1	$ 500
Finance Administration	9	$ 1,542	$ -	$ 1,542
General Accounting	11	$ 901	$ 268	$ 1,169
New Payment Technologies*	6	$ 204	$ 14,892	$ 15,096
Operating Budget	6	$ 616	$ 360	$ 976
Payroll	6	$ 440	$ 2	$ 442
Procurement, Supply Chain And DBE Division	148	$ 10,874	$ 437	$ 11,311
Revenue Acct/Oper Grants	9	$ 765	$ 8	$ 773
Revenue Operations Division	180	$ 14,321	$ 13,847	$ 28,168
Revenue,Ridership, Advertising And Sales	55	$ 4,118	$ 5,536	$ 9,654
Transformation Office	4	$ 554	$ 1,666	$ 2,220
Total	**462**	**$ 36,595**	**$ 37,651**	**$ 74,246**

*Utilities not included in non-labor total

Principal Responsibilities

Budgets & Transformation

Budgets & Transformation delivers collaborative financial planning and stewardship that keeps SEPTA moving sustainably forward. It achieves this through the work of three groups: Capital Budget and Grant Development; Operating Budgets; and the Transformation Office.

Capital Budget and Grant Development

The Capital Budget and Grant Development group develops the annual Capital Budget and the twelve-year Capital Program. In so doing, the group: prepares, maintains, executes, and monitors federal, state, and local grants from inception to grant close-out; develops and maintains the transit capital projects of the regional Transportation Improvement Program (TIP); and prepares materials associated with competitive grant applications and awards.

Operating Budgets

The Operating Budgets group develops the annual Operating Budget. In so doing, the group serves as the Authority's fiscal gatekeeper through: the annual budgeting process, including public hearings; communications of financial and statistical information for decision-making purposes; monthly reporting; daily transactional reviews and approvals; and specialized cost and performance analysis.

Transformation Office

SEPTA's Efficiency & Accountability (E&A) Program is designed to seize the opportunity we have now to transform SEPTA into an efficient, productive, and accountable organization by building an empowered and compassionate workforce. A permanent Transformation Office has been established to ensure our E&A program is fully implemented within a three-year timeframe, by the end of calendar year 2024, after which the planning process will begin again to ensure continual improvement. E&A Program implementation is resulting in continuous cost savings and organizational heath improvements, demonstrating SEPTA's commitment as a responsible steward of public funding with future fiscal limitations looming.

Financial Operations

Form a centralized leadership capacity to coordinate multifaceted operations including revenue generation from customer fare and organizational quantity fare purchases. Monitors and officially reports ridership levels and affiliated revenues. Coordinate the Division's participation in all financial, operational and customer facing aspects to further the advancement of the SEPTA Key Program.

Revenue and Ridership Management

Develop and report monthly ridership and revenue levels. Manage all ridership and revenue data and issue reports as market conditions demand. Issue all required revenue and ridership reports to governmental and ancillary agencies. Develop and support all passenger revenue pricing and tariffs and incorporate data received from the SEPTA Key Program into the data stream.

Sales

Administers and/or conducts the sale of all customer fares within the SEPTA service area. Directly supports organizations purchasing fares on behalf of employee's or clients including over 1,000 external sales venues such as corporations, school districts, and Social Service agencies. Works closely with various teams to ensure the effective transition from legacy fare items to new SEPTA Key media and the development of new programs supported through Key System Technology.

Customer Support Services

Manages the daily operation of ten full-service sales centers, 73 satellite sales locations and the third-party contract to supply customer support services. Validates and issues refunds and adjustments for lost rides and unneeded fare products. Manages the agreements to supply SEPTA with Branded and Non-Branded cards used for customer travel on SEPTA.

Financial Services

Coordinate, manage, and direct the activities of the Finance Division. Ensure that resources are used effectively to maximize capital investments and to maintain access to the capital markets on reasonable terms and conditions. Develop and coordinate the use of capital markets and debt financing strategies to help guide and support the Authority's capital and operating goals. Coordinate the strategy for defined benefit and defined compensation plans to develop a sustainable retirement funding strategy for Authority retirees past, present, and future. Manage the strategy for short- and medium-term investments ensuring sufficient returns and liquidity.

General Accounting

Manage the Authority's financial reporting and accounting activities in accordance with generally accepted accounting principles (GAAP) and governmental regulations. GAAP is a set of procedures and guidelines used by companies to prepare their financial statements and other accounting disclosures. The standards are prepared by the Governmental Accounting Standards Board (GASB). The department is responsible to produce timely and accurate financial reports and properly maintain the accounting system and related internal control structure, which includes managing the monthly and annual financial general ledger close process. Prepare and issue monthly financial and statistical reports to the SEPTA Board and senior management. Prepare required quarterly and audited financial reports that are issued to various financial institutions and government agencies that provide debt financing or subsidies to the Authority.

New Payment Technologies

Directs the multi-phase SEPTA Key Project to transform SEPTA's aging revenue collection system into a modern, efficient, and convenient system for customer payment and agency collection of fare revenue.

Payroll
Process the Authority's payroll in a timely and accurate manner. Ensure that payroll-related data has been balanced and reconciled. Process all wage deductions and tax withholdings. Responsible for reporting of tax withholdings and all quarterly and annual tax returns. Prepares all bargaining unit contractual wage increases. Ultimately responsible for all payroll-related record keeping as well as verifying the reliability of the data.

Procurement and Supply Chain Management
The Procurement and Supply Chain Management Department is responsible for SEPTA's procurement, materials management, contract grant compliance, business process and support services, quality assurance, supply chain management, and contract administration.

Contract Grant Compliance
Provide coordination and enforcement of SEPTA's compliance with federal, state, and local funding agency regulations for approved capital projects, planning studies, and other non-operating projects. Participate in updating standard form contracts, the procurement manual and related policy instructions. Monitor Certified Payrolls for all SEPTA construction projects in accordance with the Davis-Bacon and related acts.

Business Process and Support Services
Provide analytical reports, system administration, enhancements, contract processing, records management, and training support for the department. Administer Authority-wide programs such as e-procurement, electronic stockless stationery, Procurement Card, and the Materials Management/Purchasing system.

Material Management (Automotive and Rail)
Perform analysis, forecasting, and identification of inventory requirements to determine adequate stocking levels to effectively purchase/lease stock and non-stock rail and vehicle parts, material, equipment, supplies, and services, except for major vehicle procurements. Provide direct field support to maintenance directors and shop personnel. Coordinate Authority-wide inventory reduction and control programs. Maximize return on investment through Asset Recovery programs and long term, market-based scrap metal contracts. Perform inventory requirements planning for vehicle overhaul programs and various maintenance projects.

Materials Management (Infrastructure)
Perform analysis, forecasting, and identification of inventory requirements to determine adequate stocking levels to effectively purchase/lease stock and non-stock infrastructure, material, equipment, supplies, and services. Provide direct field support to maintenance directors and shop personnel. Perform requirements planning for various capital project programs and various maintenance projects.

Supply Chain Management
Plan and coordinate inventory requirements with all Operations areas to meet short and long-term material needs. Administer storeroom operations, warehousing and distribution functions, including receipt, storage, issuance and control of all stock materials for the Authority's diversified fleet of vehicles, for vehicle overhaul programs and for infrastructure maintenance requirements. Administer SEPTA's Vendor Managed Inventory Program.

Contract Administration
Perform solicitations, contract awards, and post-award administration including change orders, dispute resolution and contract closeout. Administer contracts by overseeing vendors to fulfill contractual obligations.

Construction and Vehicle Acquisition
Perform procurement and administration of project-specific architectural, engineering, and associated construction-related services, new construction, and renovations of facilities and structures. Responsible for solicitation, award, and administration of large scale new construction projects as a result of Act 89 funding, infrastructure hardening and resiliency programs, as well as major equipment purchases, including rail and bus fleets.

Professional and Technical Services
Procure and administer revenue producing vehicles (buses and rail cars), employee benefits, insurance, and associated passenger services such as paratransit and fixed route. Solicit, award, and administer professional services contracts including state and federal legislative services, advertising, brokers and lease and management services. Also includes technical services such as landscaping, janitorial, IT support maintenance and pest extermination.

Revenue Operations
Revenue Operations mission is to ensure the authority's revenue is collected, transported, and deposited in the bank in a safe and secure manner. The mission also includes the timely repair of all revenue equipment.

Revenue Transportation and Collections
Manages the collection, transportation, and deposit of passenger revenues and fare instruments. This includes Bus, Sub-EL, and Regional Rail revenue.

Revenue Services
Ensures timely processing, counting, and reconciliation of passenger revenue, as well as the distribution of fare instruments. This includes bus, Sub-EL, and regional rail operations.

Revenue Equipment Maintenance
Performs preventive/corrective maintenance and overhaul of fare collection equipment and devices on all modes of transportation (Bus, Subway and Regional Rail). Additionally, support the deployment of SEPTA Key 2.0.

Revenue Engineering
Provides engineering and design support for the revenue system including specifications, drawings, equipment modifications, system upgrades, and PCI compliance. Additionally, support the deployment of SEPTA Key 2.0.

Railroad Parking Equipment Maintenance and Servicing
Responsible for managing third party contractors for maintenance on gated parking lot and garage equipment. Also responsible for the enforcement of all open lot parking stations.
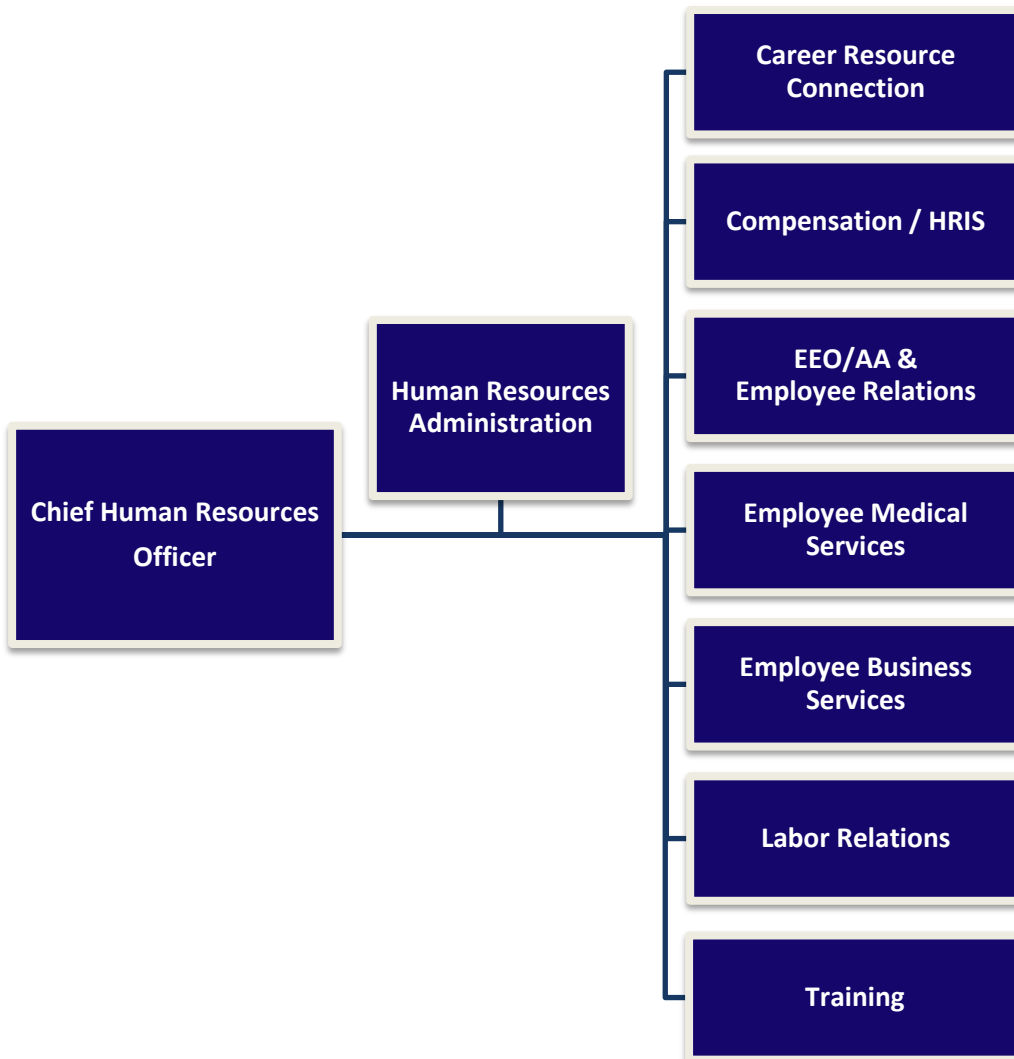
10. Divisional Summaries

SEPTA

HUMAN RESOURCES

Overview
The Human Resources Division manages the employee talent life cycle (attracting, recruiting, testing, hiring, onboarding, retaining and offboarding), performance management, compensation, and administering benefits. In addition, the division focuses on employee training, learning and development, employee medical services, EEO/AA, employee relations and labor relations for our administrative, management, and bargaining unit employees.

The Division's concern is for the holistic well-being of each employee through a variety of health and wellness benefit programs, and. professional development, and is tasked with ensuring safety and security through legal compliance, Authority policy management, and Labor/EEO regulatory relations. Our goal is to support the employee through the onset of employment until long after their departure from employment.

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                                                    │  Career Resource    │
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                                                    │ Compensation / HRIS │
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                                                    ┌─────────────────────┐
                                    ┌──────────────┐│    EEO/AA &         │
                                    │   Human      ││ Employee Relations  │
                                    │  Resources   │└─────────────────────┘
                                    │Administration│┌─────────────────────┐
                                    └──────────────┘│ Employee Medical    │
        ┌─────────────────────┐                     │    Services         │
        │ Chief Human Resources│                    └─────────────────────┘
        │      Officer         │                    ┌─────────────────────┐
        └─────────────────────┘                     │ Employee Business   │
                                                    │    Services         │
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                                                    │  Labor Relations    │
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                                                    │     Training        │
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Return to Table of Contents

108 | SEPTA FY 2024 Operating Budget Proposal

10. Divisional Summaries

$ Amounts in Thousands ('000)

Human Resources	Heads	Net Labor	Non-Labor	Total
Career Resource Connection	5	$ 370	$ 85	$ 455
Compensation / HRIS	13	$ 1,060	$ 195	$ 1,255
EEO/AA & Employee Relations	6	$ 957	$ 24	$ 981
Employee Medical Services	15	$ 1,182	$ 311	$ 1,493
Employee Services Summary	34	$ 3,016	$ 1,784	$ 4,800
Human Resources Administration	8	$ 1,280	$ 261	$ 1,541
Labor Relations	13	$ 1,329	$ 302	$ 1,631
Training	107	$ 9,837	$ 1,691	$ 11,528
Total	**201**	**$ 19,031**	**$ 4,653**	**$ 23,684**

Principal Responsibilities

Career Resource Connection (CRC)
Serves as a centralized operation and resource for external candidates interested in joining SEPTA and/or learning about job opportunities and equips internal employees with resources to further develop and manage their career paths including, promotional testing, career coaching and counseling. In addition, the CRC supports the Recruitment Department by scheduling and administering all pre-employment testing. The CRC also works interdepartmentally with hiring managers to assess and provide job task analysis and test overhauls.

Compensation/HRIS
Develop, communicate, and administer the compensation program for supervisory, administrative and management (SAM) employees. Evaluate SAM positions utilizing the Hay Evaluation System. Update employee and position-related data in the personnel system, monitor and train employees on the use of the Human Resource Information System (HRIS). Maintain personnel files for approximately 9,300 employees. Verify current and past employment for employees, and handle inquiries regarding mortgage and car loans, lost wages, and other supplemental insurance coverage. Oversee the assignment of employee photo IDs for new employees and the replacement of ID's when reported lost or damaged. Prepare SEPTA-wide Organizational Charts.

Equal Employment/Affirmative Action and Employee Relations (EEO/AA&ER)
Implements and oversees the Authority's policies related to equal employment opportunity, anti-discrimination, and diversity and inclusion to address the needs of an increasingly diverse workplace. Implements and oversees the Authority's policies related to equal employment opportunity.

Employee Medical Services
Execute, maintain, and provide regular reports on the drug and alcohol testing requirements in accordance with Authority policy and U.S. Department of Transportation regulations. Responsible for conducting medical examinations for fitness for duty, new hire physicals, medical monitoring/surveillance programs (e.g., hypertension, asbestos), hearing conservation, etc. as required by the Authority. Administer the Employee Assistance Program (EAP) for all employees and their dependents. Manage the Wellness Program and medical case management.

Employee Business Services
Human Resources Employee Business Services focuses on Recruitment, Policy Administration, Strategic Initiatives including workforce planning and development, and the Authority's wide-ranging employee/retiree and dependent Benefit Services.

Labor Relations

Conducts all labor negotiations with the bargaining units, handles all grievances, arbitrations, unemployment claims, and Labor Board cases.

Training

Provides technical and soft skills training solutions focused on integrated programs and curriculum that improve employee performance, productivity, development, and communication. Employees are provided with an on-demand self-paced learning environment via Enterprise Learning. The department provides training classes and solutions to teach new skills and retrain employees as required to ensure the workforce has a comprehensive understanding of regulations, procedures, and policies, in addition to being equipped to perform assigned duties and functions. The Training Department is responsible for developing and administering the highest quality training and recertification programs for Transportation, Maintenance, and Management staff.

OFFICE OF GENERAL COUNSEL

Overview

The Office of General Counsel consists of the Claims, Corporate, Government Affairs, Information Technology, Litigation and Corporate Litigation, Risk Management, and Video and Intake Operations Departments, all reporting to the General Counsel.
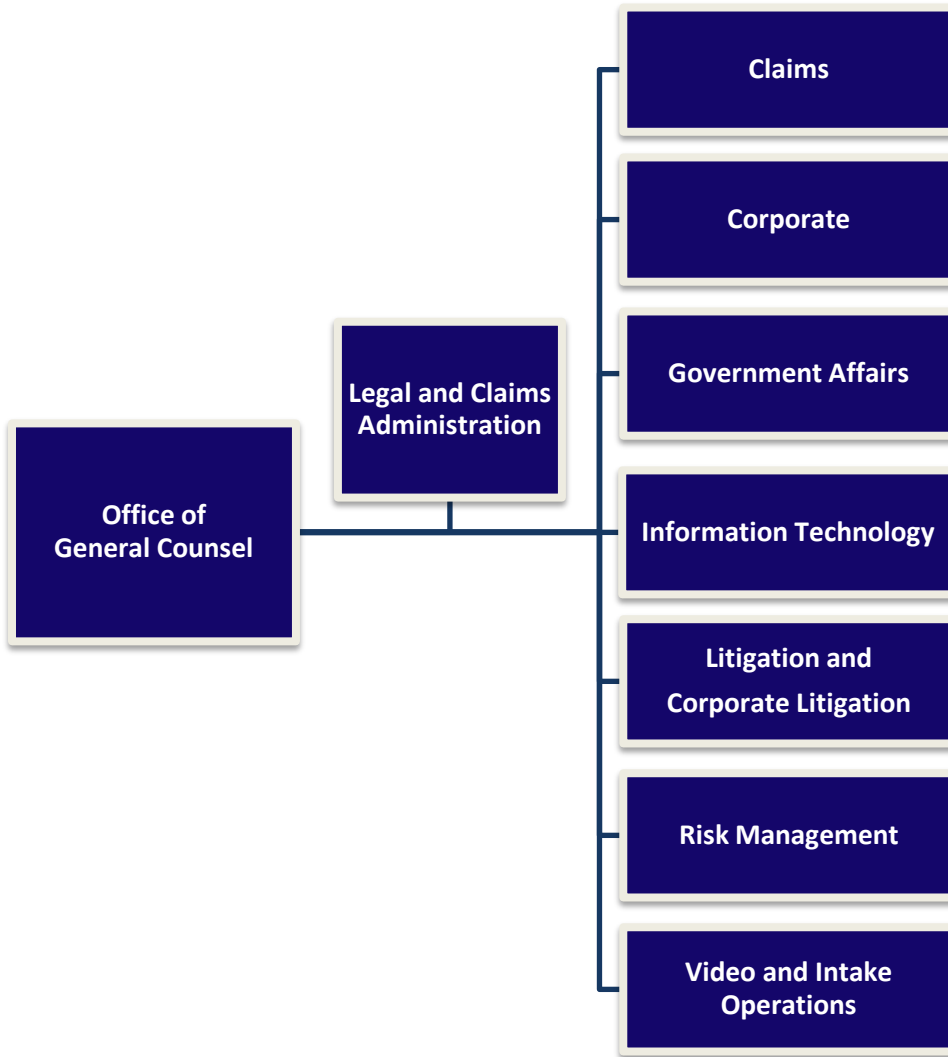
$ Amounts in Thousands ('000)

Office of General Counsel	Heads	Net Labor	Non-Labor	Total
Claims	26	$ 2,034	$ 1,949	$ 3,983
Corporate And Business Operations	9	$ 990	$ 7,724	$ 8,714
Corporate Litigation	3	$ 335	$ 1,102	$ 1,437
Government Affairs Summary	9	$ 893	$ 1,099	$ 1,992
Information Technology	74	$ 7,508	$ 9,130	$ 16,638
Insurance And Workers Comp	9	$ 839	$ 14	$ 853
Legal And Claims Admin	10	$ 1,590	$ 1,432	$ 3,022
Litigation	29	$ 2,790	$ 3,691	$ 6,481
Video And Evidence Unit	30	$ 2,249	$ 2,098	$ 4,347
Total	**199**	**$ 19,228**	**$ 28,239**	**$ 47,467**

Principal Responsibilities

Claims

The Claims Unit is responsible for the handling of personal injury and property damage claims. Many claims are handled in tandem with attorneys in the Litigation Department, from first notice of the claim through its final resolution. Claim handling involves: thorough and detailed examination of evidence, a determination of liability and assessment of potential damages. The existence of pertinent video provides a key piece of beneficial evidence, one which often provides a dispositive defense to a claim. If the Authority is liable to an individual for injuries or property damage, then Staff will attempt to settle the claim in an equitable and prudent manner. For claims where the Authority either is not liable or is not able to obtain a just settlement, the case is defended in court by the attorneys of the Litigation Department.

Corporate

Lawyers within the Corporate Department negotiate and draft legal contracts and other documents that support and promote the activities of client departments. Counsel advises management on matters that have legal implications, assists other departments in drafting documents that have legal-related elements, and works with outside attorneys handling matters involving specialty areas of the law. The Corporate Department is involved in all transactional legal matters such as those related to procurements, construction, technology contracts, real estate, environmental law, energy, sustainability, regulatory compliance, corporate governance, railroads, and property use.

Government Affairs

The Government Affairs Department – comprised of Government, Legislative and Community Relations – is responsible for communicating the Authority's official position on key issues, enhancing public perception, and developing campaigns that promote transit awareness and ridership growth. The Division builds and maintains strong working relationships with federal, state, and local elected officials and transit stakeholders to ensure SEPTA's priorities and message effectively reach lawmakers and the public.

Information Technology

Enterprise Applications and Engagement Services

Enterprise Application Development and Administration

Supports the development, integration, and implementation of new and existing software systems to business units throughout the Authority. Responsible for the administration of employee facing applications (Finance, Procurement, Payroll, Benefits, HR). This section responds to application software challenges and collaborates with the business units in formulating process enhancements/configurations to systems.

Business Intelligence and Reporting

Responsible for managing collections of data and its use to create analytics and business intelligence models. Oversees data retrieval and analysis within SEPTA. Responsible for the creation of data warehouses, formulate data governance and management frameworks, and reporting and visualization tools.

Specialty Technologies

Manages new technologies and specialty technology systems, real-time systems, and public-facing applications. Responsible for the strategic design and development of advanced web applications to service SEPTA customers.

Infrastructure and Security Services

Cyber and Records Security

Manages and supports the effort of protecting customer, employee and SEPTA data from intrusion or data breach. Engages cyber security committee meetings with key stakeholders that focus on business applications, enterprise databases, operational systems, and fare collection to ensure protocols and procedures are in place to minimize the threat of intrusions, malware, and data breaches. Works with outside agencies and professional affiliations, including law enforcement, to aid in understanding new cyber security risks/threats and determining what remedies are available to protect and minimize the impact. Works with SEPTA's Office of Inspector General and the Office of General Counsel departments on matters pertaining to litigation or other discovery needs. Responsible for developing and implementing records management systems throughout the Authority, including record retention schedules, storage, retrieval, digital archiving, and destruction protocols.

Infrastructure Services

Provides computer operations stability and access security on a 7-day/24-hour basis including problem management, disaster recovery, technical infrastructure management/support and change control. Maintains the technology infrastructure necessary for business-critical systems, including enterprise e-mail services, Internet/Intranet access, payroll, materials management, general accounting, operations control centers, disaster recovery and business continuity. Supports enterprise data communication systems and the entire personal computer environment. Sets standards for hardware and software used across the networks and installs, supports, and maintains the entire data network infrastructure. Provides oversight and management of the SEPTA Key Back Office Technical Infrastructure.

IT Project and Strategic Planning

Manages the communications and customer experience for the Authority. Identifies and documents the needs for technology throughout the Authority Divisions and act as the liaison between internal IT staff and the customer to complete the project. Provides the short- and long-term strategy, direction, management and implementation of the core enterprise architecture and critical operations systems for the Authority. Prioritizes IT related projects for the Authority against the SEPTA Strategic Plan.

Litigation and Corporate Litigation

Litigation

The Litigation Department is responsible for representing SEPTA in personal injury and property damage claims once a lawsuit is filed. Attorneys within the Litigation Department (as well as outside counsel who are managed by Department attorneys) handle all aspects of litigation from pleadings through discovery and up to and including trial. The attorneys evaluate cases and make settlement recommendations. When appropriate, the Department attorneys negotiate final settlements. The Litigation Department also handles appellate cases in the Commonwealth Court and Supreme Court of Pennsylvania on issues regarding SEPTA cases as well as others that may affect SEPTA as a mass transit agency and/or as a Commonwealth Party.

Corporate Litigation

Lawyers within the Corporate Litigation Department represent SEPTA in civil actions that are other than personal injury and property damage. Corporate litigation actions include, labor and employment matters, civil rights cases, contracts and construction suits, and trademark registration and infringements. This Department also provides legal counsel to management on employment matters and statutes (including Title VI, ADAAA, ADEA, FMLA, FLSA, and USERRA) and employment concerns before state and federal administrative agencies. Additionally, Staff within this Department handles the intake, response, and appeal of requests for Authority records submitted under the Pennsylvania Right-to-Know Law, third party subpoena requests for records and litigation holds.

Risk Management

The Risk Management Department manages SEPTA's programs to compensate injured employees who have claims under the Commonwealth's workers' compensation laws or under the Federal Employers Liability Act (FELA). Department Staff oversee a third-party administrator of workers' compensation claims, handling medical and indemnity management, coordinating internal vocational rehabilitation, and managing all alternative and transitional duty programs. Staff also administers supplemental benefits as prescribed by labor contracts. FELA Unit Staff oversee a third-party administrator of FELA claims which monitors, settles, and oversees litigation of claims of injured Regional Rail workers. The Insurance Unit Staff helps to manage the Authority's exposure to risk under transactional situations, through the application of risk management tools such as insurance programs, self-insurance administration, performance bonds, and letters of credit. The Business Operations Unit within this Department is responsible for the administrative and business functions that support the Office of General Counsel (OGC), such as staffing and employment management, training, budget development, administering legal services contracts and managing office equipment and supplies.
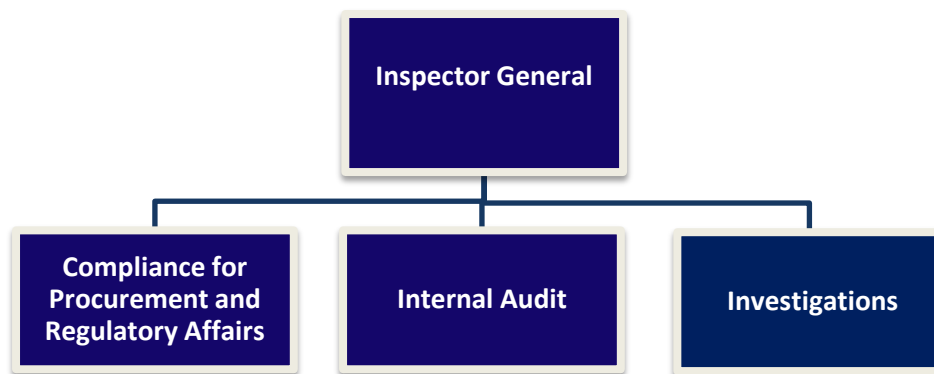
Video and Intake Operations

The Video and Intake Unit is responsible for performing intake functions for all matters, claims and requests that come into the Office of General Counsel; seeking and compiling all information, data and records needed to handle all OGC matters; and featuring those functions associated with carrying-out the Authority's video surveillance program. The video program includes planning, collecting, reviewing, preserving, storing, and producing data from video systems on SEPTA vehicles and in stations. Staff within this Department also respond to and handle requests for, notification of, and production of employee witnesses for court matters.

OFFICE OF INSPECTOR GENERAL

Overview

The Office of Inspector General (OIG) is firmly committed to its core mission to root out fraud, waste, and abuse throughout SEPTA. Our team of dedicated investigators, auditors and compliance officers identify systemic vulnerabilities and inefficiencies, and probe criminal and administrative misconduct, including workplace violence, by employees, contractors, and vendors. Through reports of audits, reviews and investigations, the OIG strives to make thoughtful recommendations to improve processes and to direct SEPTA stakeholders and management to implement corrective actions. The OIG includes three sub-divisions: (i) Internal Audit; (ii) Compliance for Procurement and Regulatory Affairs; and (iii) Investigations.

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  │   Compliance for  │   │   Internal Audit  │   │   Investigations  │
  │  Procurement and  │   │                   │   │                   │
  │  Regulatory Affairs│  │                   │   │                   │
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$ Amounts in Thousands ('000)

Office of Inspector General	Heads	Net Labor	Non-Labor	Total
Internal Audit Department	15	$ 1,543	$ 49	$ 1,592
Office Of Inspector General Department	9	$ 1,024	$ 55	$ 1,079
P&SCM Audit - Small Procurements	3	$ 304	$ 1	$ 305
Total	**27**	**$ 2,871**	**$ 105**	**$ 2,976**

Principal Responsibilities

Compliance for Procurement & Regulatory Affairs

Compliance for Procurement and Regulatory Affairs focuses on the Authority's adherence to federal, state, and local funding requirements. The primary focus of Compliance is to conduct reviews and inspections of various SEPTA programs and initiatives, related to procurement, in accordance with the Annual Audit Plan. The division continues to monitor Purchasing Card (P-Card) Program through periodic reviews to maintain compliance. Additionally, Compliance engages through trainings, and partnerships with other Authority departments on special projects as required.

Internal Audit

Internal Audit is an independent, objective, internal review and consulting activity designed to add value and improve the organization's operations. It provides a systematic, disciplined approach to evaluate financial risk/exposure and improve the effectiveness of risk management, internal control, and governance processes.

10. Divisional Summaries

Internal Audit conducts financial, compliance, and operational audits of departments within the Authority in accordance with a Board-approved Annual Audit Plan. The Department is also responsible for the review of cost proposals and audits of cost reimbursement contracts and change order/claims. Additionally, Internal Audit provides a wide range of internal consulting support to departments upon request. Internal Audit is comprised of Internal Audit, Information Technology, and Contract Audit sections.

Internal Audit

Internal Audit is responsible for reviewing all areas within the Authority by performing formal audits of an entire process or independent reviews of a particular activity or account balance.

Information Technology

A specialized sub-unit of Internal Audit that is responsible for reviewing new and existing computer applications, access security, and hardware. Independent data extracts and reporting support are also generated for Internal Audit and other divisions.

Contract Audit

Contract Audit is responsible for auditing or reviewing third-party cost data in accordance with established policies and federal requirements. The work includes reviews of pre-contract cost proposals and audits of actual costs incurred on cost-plus-fixed-fee contracts. In addition, Contract Audit performs audits or reviews of cost documentation in support of change orders and claims.

Investigations

OIG investigators are responsible for conducting independent investigations related to fraud, waste, abuse, mismanagement, and serious employee misconduct (illegal, criminal). The group consists of sworn law enforcement officers, former prosecutors and former federal agents who conduct criminal and administrative investigations. In addition, the OIG works in partnership with local, state, and federal law enforcement and refers criminal violations by SEPTA business partners, employees, and vendors. Violations of SEPTA's rules and policies are referred to management for disciplinary action.
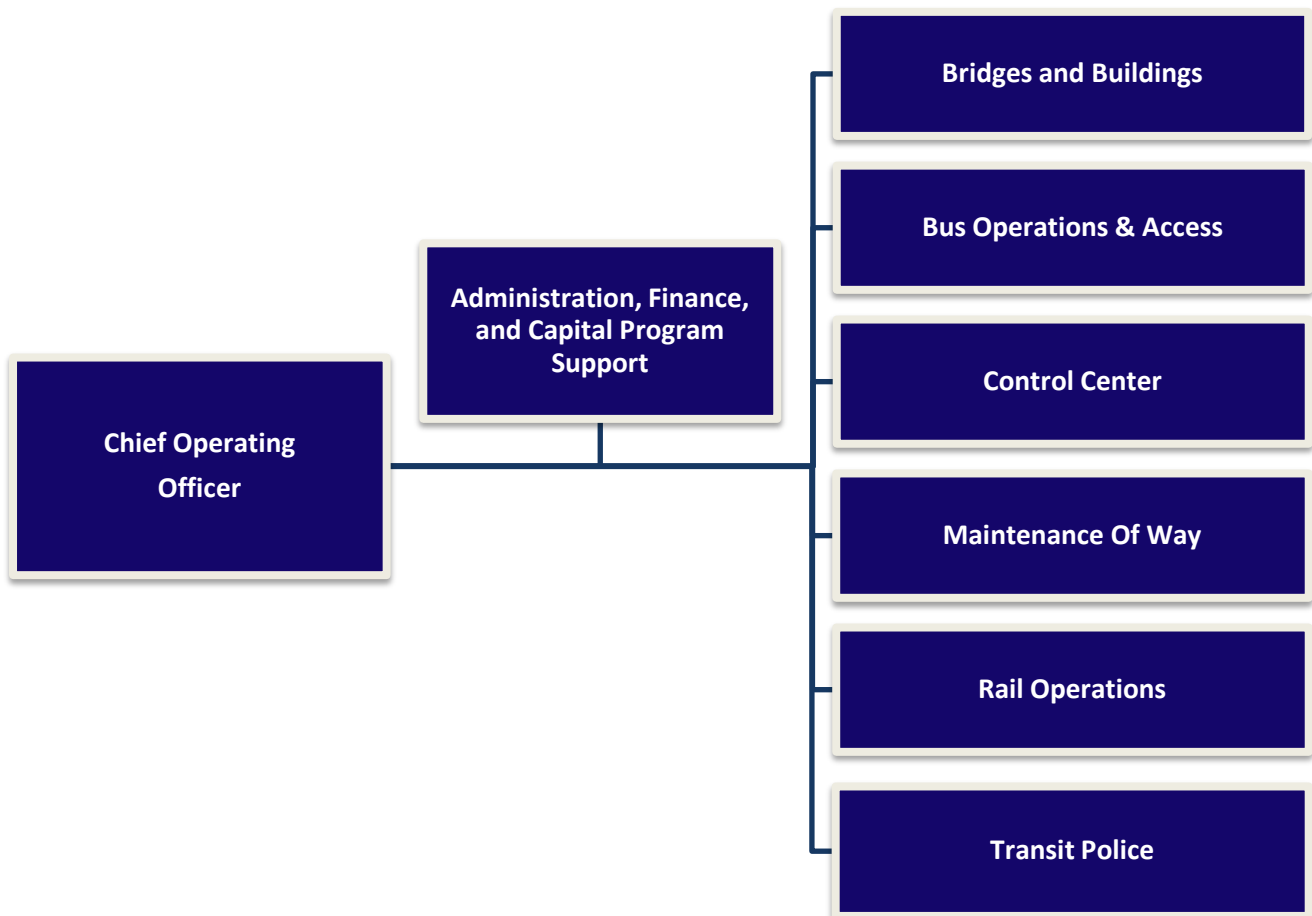
10. Divisional Summaries

OPERATIONS

Overview

The Operations Division includes the following departments: Administration, Finance and Capital Program Support; Bridges and Buildings; Bus Operations and CCT; Control Center; Maintenance of Way; Rail Operations; and Transit Police. The Division provides long-term goals related to these areas of responsibility.

The Operations Division provided 146.9 million annual passenger trips in Fiscal Year 2022, while operating 84.4 million vehicle miles. Total passenger miles exceeded 665 million. The Division operates 2,371 revenue vehicles on 148 fixed routes, which have approximately 1,570 route miles and over 600 miles of track. The Operations Division also operates and provides service to 290 stations.

10. Divisional Summaries

$ Amounts in Thousands ('000)

Operations	Heads	Net Labor	Non-Labor	Total
Administration, Finance And Support	97	$ 7,693	$ 20,566	$ 28,259
Bridges And Buildings	867	$ 52,431	$ 49,511	$ 101,942
Bus Operations & Access*	3,396	$ 268,919	$ 37,961	$ 306,880
Control Center	106	$ 10,291	$ 53	$ 10,344
Maintenance Of Way*	953	$ 57,609	$ 8,806	$ 66,415
Rail Operations	2,957	$ 236,494	$ 27,614	$ 264,108
Transit Police Department	263	$ 25,723	$ 7,685	$ 33,408
Total	**8,639**	**$ 659,160**	**$ 152,196**	**$ 811,356**

Principal Responsibilities

Administration, Finance, and Capital Program Support
Coordinate and manage the administrative and financial activities for the Operations Division.

Cost Control
Coordinate the development, submission, and monitoring of Operating and Capital Budgets for the Operations Division.

Performance Statistics Control
Develop and monitor performance statistic goals for the Operations Division, which support SEPTA's mission and strategic goals.

Human Resource Administration
Manage the process of hiring personnel for the Operations Division in accordance with service requirements. Ensure compliance with SEPTA's Human Resources policies.

Customer Service
Process and expedite all customer correspondence routed through the Operations Division.

Special Projects
Coordinate all logistics and activities related to service interruptions, major sporting events and various other annual events.

Capital Programs
Coordinate and manage the financial and administrative activities for the Infrastructure Safety Renewal (ISRP) and Vehicle Overhaul (VOH) programs.

Contract Management
Provide management oversight of 3rd party service contracts including RRD and NSHL Snow Removal, Fire Alarm Inspection and Repair, Emergency Tree and Brush Removal, Fire Resistant Clothing Program, Vehicle and Equipment Rentals, and Authority-Wide Trash/Recycling Hauling and Disposal. Also provide oversight and compliance of contracts for Revenue Vehicle Exterminating, Bus Fleet Tire Leasing, and CCT services.

Bridges and Buildings

Bridges and Buildings Maintenance and Facilities Engineering
Responsible for engineering services including design, inspections, facilities & construction management, and implementation of major State of Good Repair (SOGR) projects. Projects include both Operating and Capital rehabilitation and reconstruction of bridges, stations, facilities, and maintenance shop equipment for the City Transit, Suburban Transit, and Regional Rail Divisions. Group performs regular inspections of all bridges, tunnels, buildings, other structures, and fixed plant infrastructure in accordance with State and Federal Regulations and in response to emergency callouts.

Rail Facilities
Responsible for the engineering design and construction management of capital improvement projects for fixed plant Regional Rail facilities. Management encompasses the entire life cycle of projects from conceptual design through final construction on diverse works such as station improvements and ADA accessibility, bridge repair and replacement, upgraded and new parking facilities, and physical plant improvements to support Regional Rail operations.

Transit Facilities
Responsible for the engineering design and construction management of capital improvement projects for fixed plant facilities, including improvements to stations, maintenance facilities, and garages for Metro Rail and Bus operations. Engineering design and construction management encompasses the entire life cycle of projects from conceptual design through final construction on diverse projects such as station ADA compliance and state of good repair, physical plant improvements, upgraded and new parking facilities and upgrade and new systems infrastructure to support Metro Rail and Bus operations.

Major Projects
Develops conceptual designs, cost estimates, and Request for Proposal documents for design projects. Manages the awarded design projects through to completion of design phase. Manages the coordinated advancement of construction on major projects such as the expansion of the Media/Elwyn Regional Rail line to Wawa.

Bridges and Buildings City/Suburban Maintenance and Construction
Provides all major force account construction projects and maintenance of stations, buildings, bridges, maintenance shops, and depots in the City and Suburban Transit Divisions and electrical/mechanical infrastructure in the City Transit Divisions.

Bridges and Buildings Railroad Maintenance and Construction
Provides all major force account construction projects and maintenance of stations, buildings, bridges, maintenance shops and employee facilities and electrical/mechanical infrastructure in the Regional Rail Division.

Custodial Services
The Custodial Services group oversees the cleaning of 28 Market-Frankford Subway-Elevated stations, 25 Broad Street Subway stations, and 8 trolley stations.

Bus Operations and Access

Bus Operations
Operates bus transit modes throughout the five-county service area with service originating from seven operating locations in the region. Each operating district has full responsibility for transportation service of the transit fleet in that location.

10. Divisional Summaries

SEPTA

The seven operating districts operate a total of 103 bus routes. It should be noted that the number of bus routes identified by operating district in this section differs from the total number reported elsewhere, due to 10 bus routes that are operated out of more than one district as operating conditions necessitate. The seven operating districts in Bus Operations are:

1. **Allegheny** - operates 8 bus routes
2. **Callowhill** - operates 12 bus routes
3. **Comly** - operates 15 bus routes
4. **Frankford** - operates 16 bus routes
5. **Midvale** - operates 24 bus routes
6. **Southern** - operates 16 bus routes
7. **Frontier** - operates 23 bus routes

Customized Community Transportation (CCT)

Customized Community Transportation (CCT) is responsible for the operation of SEPTA's two demand response services, ADA Paratransit and Shared Ride Program transportation. This full-service operation, from advance reservations and customer service to shared trip completion, operates under the name "CCT Connect". It coordinates development of Requests for Proposals to contract for private operation of new services and provides for the efficient administration of existing contract carrier operations.

CCT coordinates SEPTA's compliance with the Americans with Disabilities Act (ADA) as it pertains to service, equipment, and facilities, advising other operating departments on implementing accessible fixed-route service and facility improvements. CCT also serves as liaison between various SEPTA Divisions and the SEPTA Advisory Committee for Accessible Transportation (SAC).

CCT also administers eligibility screening for the following programs: PA Disability Transit ID, Senior Citizen Transit ID, and Personal Care Attendants on Transit ID. In addition, CCT provides travel training by certified professionals to instruct customers how to travel independently on public transportation. This service is offered on a one-to-one basis or as part of designed instruction for a group in partnership with several local universities and Philadelphia high schools. CCT oversees the Authority's customized small bus operations and public-private partnerships via its Contract Operations Department.

CCT Connect

ADA Services
Provide advance-reservation, ride-sharing paratransit service for eligible disabled riders in Bucks, Chester, Delaware, Montgomery, and Philadelphia counties.

Shared Ride Program (SRP)
Provide advance-reservation, ride-sharing transportation for Philadelphia County riders aged 65 and older, regardless of income or disability status.

Contract Operations

Breeze
Operates SEPTA's small bus service known as the Horsham "Breeze". This service provides transportation designed to meet the needs of employers in the Willow Grove and Horsham business centers. The Breeze operates weekday and Saturday service.

Return to Table of Contents

120 | SEPTA FY 2024 Operating Budget Proposal

10. Divisional Summaries

LUCY
Operates a fixed route bus loop in the University City area of West Philadelphia. The service is funded by subsidies from the University City District and operates weekday service only.

Cornwells Heights Shuttle
Operates a small bus shuttle within the 1,600-space park-and-ride lot at Cornwells Heights train station. Cornwells Heights operates weekday service only.

Automotive Equipment Engineering & Maintenance (AEE&M)

Bus Maintenance
Performs all maintenance aspects for bus, electric bus, trolley bus, and non-revenue generating fleets as well as bus vehicle preventive maintenance overhauls at eleven maintenance facilities and backshops.

Bus Vehicle Engineering
Oversees the engineering for bus, trolleybus, and non-revenue generating vehicle fleets. Responsible for the acquisition of new fleets of vehicles including bus, CCT, and utility vehicles.

Engineering
Provides all engineering support including specifications, drawings, vehicle modifications, and system upgrades for all bus fleets. Investigates and resolves bus and non-revenue fleet technical issues. Support is provided to heavy maintenance facilities and CCT vehicle maintenance.

New Vehicles
Oversees the purchase of all new bus, trolleybus, CCT, and utility vehicles. Manages the procurement, production, inspection, acceptance, and contract deliverables (e.g., spare parts, manuals, and warranty administration) for various automotive vehicle contracts.

Control Center
The Control Center is a centralized facility that manages the safe and efficient movement of bus, Metro Rail, and Regional Rail operations and provides customer information and service alerts to our passengers. All Control Center functions, and associated equipment are located at SEPTA's 1234 Market Street headquarters on the 19th floor. The Control Center personnel are responsible for ensuring that SEPTA's established service levels are maintained 24 hours a day, 7 days a week.

Maintenance of Way

Project Management Office
Responsible for the management of all large, multi-discipline projects within MoW, including the planning, engineering, and construction of capital projects, improvements to track, signals, traction power, bridges, and other right-of-way assets for all Divisions including the Southwest Connection Improvement Project and the entire Trolley Modernization Project. The Project Management Office is also responsible for Civil Engineering and all 3rd Party Coordination (track usage, track outage, and Rights-of-Entry). Responsible for all Civil related ISRP Projects.

Track & Utilities Department
Responsible for the inspection, maintenance, and construction of track and right-of-way areas. Provide track engineering and design services for all maintenance and capital construction projects. Responsible for the Courtland Track Shop to support requirements for routine and specialty track design and fabrication. Responsible for the Midvale Utility Group, which oversees the scheduling, use, maintenance, and deployment of non-revenue and utility vehicles. Responsible for all Track related ISRP Projects.

Communications and Signals (C&S)
Responsible for the inspection, testing, maintenance, and construction of the signal system. Provide engineering and design services for all signals and communications maintenance and construction projects. Responsible for all radio, telecommunications, and Regional Rail communication systems, including maintenance and construction. Responsible for the engineering and construction for capital projects involving communication and signals infrastructure. Responsible for all C&S related ISRP Projects.

Power
Responsible for the inspection, maintenance, and reconstruction of electric traction and signal power systems and electrical infrastructure. Responsible for engineering and design services for all related maintenance and construction projects. Responsible for engineering and construction for capital projects involving power and electrical infrastructure. Responsible for all Power related ISRP Projects.

Rail Operations

Regional Rail
Oversee all transportation, customer service, and station operation for the railroad system. The Regional Rail system includes 280 route miles and 13 lines or branches.

Metro Rail
Provides train service and customer service to the Market-Frankford and Broad Street Lines; Subway/Bus Trolley Lines; and Victory District Operations. The Victory District has Bus Routes, the Media Sharon Hill Trolley Lines (MSHL), and the Norristown High Speed Line (NHSL).

Subway-Elevated Transportation Services
The MFL operates trains each weekday between the Frankford Transportation Center and the 69th Street Terminal. The BSL operates trains each weekday between the Fern Rock Transportation Center and NRG Station as well as along the Ridge Avenue Spur. Transportation Services also oversees the Cashiers who assist customers with fare instrument purchases and navigation of the Subway-Elevated system.

Subway/Bus Trolley Services
Elmwood and Callowhill Transportation operates Subway/Bus trolley (light rail) lines – Routes 10, 11, 13, 15, 34, and 36.

Victory District Services
Victory District operates 20 bus routes, 2 trolley lines - Routes 101 and 102 (MSHL), and 1 heavy rail line - Route 100 (NHSL).

Rail Equipment Engineering & Maintenance (REE&M)

Rail Transit Maintenance
Performs all maintenance aspects for City Trolley, Media Sharon Hill Line, Norristown High Speed Line, and Subway-Elevated fleets as well as all rail vehicle preventative maintenance overhauls at 11 maintenance facilities and backshops.

Regional Rail Maintenance
Performs all maintenance aspects for the Regional Rail fleet as well as all Regional Rail vehicle preventive maintenance overhauls at 5 maintenance facilities.

Rail Vehicle Engineering
Oversees the engineering for light rail, subway-elevated, and Regional Rail fleets and is responsible for all new rail vehicle acquisitions.

Engineering
Provides all engineering support including specifications, drawings, vehicle modifications, and system upgrades for all rail fleets. Investigates and resolves rail fleet technical issues. Support is provided to heavy maintenance facilities.

New Vehicles
Oversees the purchase of all new rail vehicles. Manages the procurement, production, inspection, acceptance, and contract deliverables (e.g., spare parts, manuals, and warranty administration) for various rail vehicle contracts.

Transit Police
SEPTA's Transit Police are tasked with preventing and investigating crime; establishing an atmosphere of safety and security throughout each of our transit modes; and serving as public safety ambassadors for the transit system.

10. Divisional Summaries

PLANNING AND STRATEGY

Overview

The Planning and Strategy Division oversees the Service Planning, Strategic Planning & Analysis, Office of Innovation, and Project Development Departments. These departments advance development of business data assets, analysis and development of strategies and goals in the Authority's Strategic Plan, development of strategic communications and outreach that are necessary in implementing the Authority's Strategic Plan, coordination with regional planning partners, long range planning, community and station area planning, advancement of major planning and expansion projects, management and improvement of transit service, and the Annual Service Plan. This work includes facilitating business innovations that stem from the strategic plan and sustainability program plan, often acting as a business analyst for interdepartmental corporate initiatives and long-term capital and service planning project activities.

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Chief Planning and          Planning Administration          Office of Innovation
Strategy Officer
                                                             Real Estate

                                                             Service Planning

                                                             Strategic Planning
                                                             and Analysis
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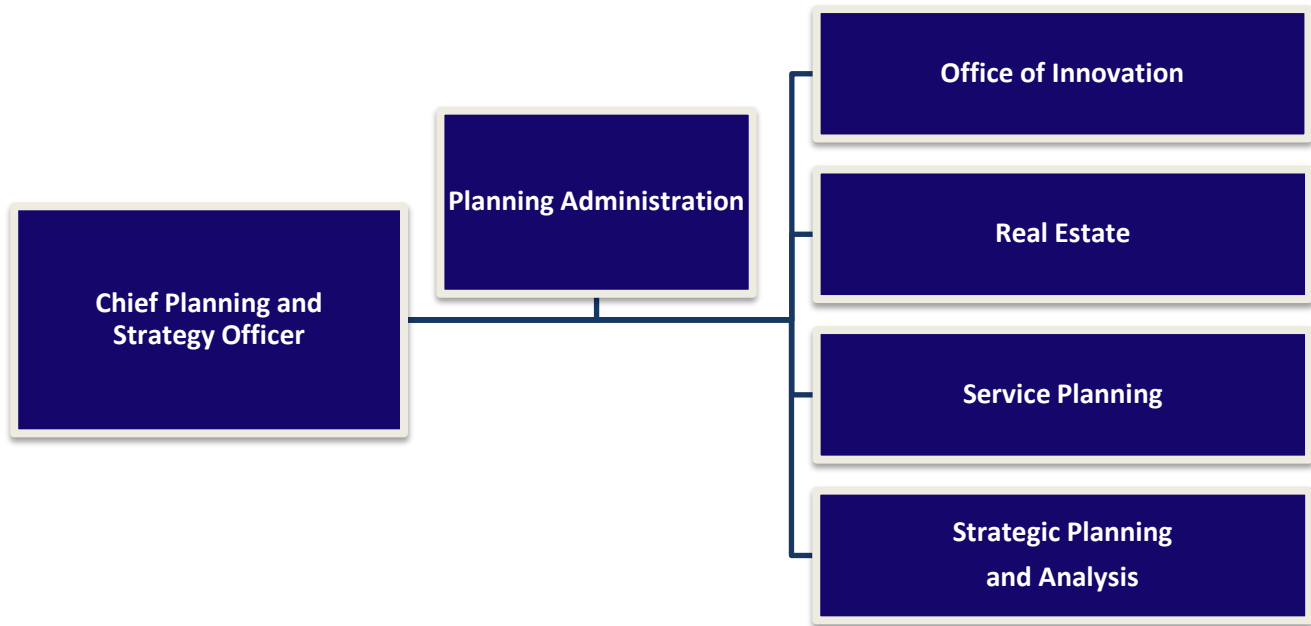
$ Amounts in Thousands ('000)

Planning & Strategy	Heads	Net Labor	Non-Labor	Total
Office of Innovation	9	$ 870	$ 490	$ 1,360
Planning Administration	7	$ 885	$ 101	$ 986
Real Estate	7	$ 464	$ 3,595	$ 4,059
Service Planning	33	$ 2,383	$ 81	$ 2,464
Strategic Planning and Analysis	7	$ 282	$ 4,733	$ 5,015
Total	**63**	**$ 4,884**	**$ 9,000**	**$ 13,884**

Principal Responsibilities

Office of Innovation

Data-Driven Decision Making
Build the expertise and infrastructure to empower a culture of data-driven decision making, including advancing industry-leading key performance indicators (KPIs) in SEPTA's newest Strategic Business Plan. Advocates for investments in technology and data, such as the fleet-wide Automated Passenger Counter (APC) retrofit, that lead to better business decisions and a more unified Authority. Expands access to high quality, accurate, and timely data through self-serve and custom data analysis, including public-facing data that improves transparency and the customer experience. Consults on the use of data to improve insights and efficiency and to support some of the Authority's flagship initiatives.

Sustainability
Manage an award-winning Sustainability Program based on a triple-bottom-line (economic, social, and environmental) approach. Leverage insights gained through implementation of a comprehensive sustainability data tracking system to advance initiatives that increase efficiency and generate cost savings. Sustainability Program focus areas include energy conservation, renewable energy, and zero-emission vehicle technologies. Build on success of Sustainability Program with development of updated program plan during FY2022. Communicate progress on Sustainability Program key performance indicators and specific initiatives through "SEP-TAINABLE" Annual Report and the SEPTA website at septa.org/sustain.

Business Transformation
Support Efficiency and Accountability program by driving bottom-up planning, idea generation and implementation of initiatives that result from this process. Support organizational health practices and achievement of financial targets. Ensure business transformation efforts are linked to SEPTA's Strategic Plan to ensure alignment with and achievement of the organization's key strategic objectives.

Service Planning
Plan and schedule service for City and Suburban (Victory and Frontier) and Contract Ops transit division operations. Monitor and analyze route performance in accordance with applicable service standards to develop proposals for service improvements. Work with public and private partners to implement improvements to existing service and develop new service. Prepare the Annual Service Plan, which includes new service proposals and an annual economic review of all routes. Participate in Comprehensive Bus Network re-design. Serve as liaison with city and county planning agencies, municipal governments, and Transportation Management Associations (TMA) regarding service planning issues. Coordinate tariff and public hearing process for all proposed route changes. Manage central transit stop database and passenger traffic checking. Provide Authority-wide Geographical Information Systems (GIS) support.

Strategic Planning and Analysis
The efforts of the Strategic Planning and Analysis Department helps to create and implement a shared vision for the future among the various internal and external stakeholders, prioritizing capital funding and the advancement of enhanced service to build towards a unified, lifestyle transit network.

Strategic Planning

SEPTA adopted its most recent Strategic Plan, SEPTA Forward, in February 2021. This plan establishes a clear vision for the future with transit at the core of a resilient, prosperous, and equitable community for everyone. The plan's goals–to develop a proactive organization, provide an intuitive experience, and deliver a seamless transit network–will propel us, our communities, and our region forward.

Major Planning Programs

SEPTA is advancing several major planning programs, including Bus Revolution, Reimagining Regional Rail, and Project Metro, including Trolley Modernization. These projects are multi-disciplinary programs that will include significant public outreach and require multiple SEPTA departments to work together to advance.

Long-Range Planning

Long-range plans include a comprehensive analysis of existing systems, ridership trends, and demographic data to recommendations for strategic investments to serve current and future transit needs. Such long-range plans include studies of rail system expansion, existing facilities improvements to support long-term growth, and analysis of bus service networks. SEPTA works closely with DVRPC to include these plans in the region's adopted Long Range Plan.

Policy and Value Proposition

Develop presentation and communication materials that make the business case for increased investment in SEPTA, emphasizing transit's value proposition to drive economic growth, promote equity, advance sustainability, and improve public health, safety, and quality of life. Collaborate with SEPTA Communications and Government Affairs to disseminate this information through brochures, presentations, and the SEPTA website at planning.septa.org.

Municipal and Regional Plan Coordination

SEPTA participates in comprehensive plans, transportation studies, neighborhood plans, streetscape designs, and station area or Transit Oriented Development (TOD) plans. These studies impact SEPTA and customers in some manner, from how a roadway functions, to envisioning new development at a train station, to recommending new or improved service concepts.

Comprehensive Station and Service Analysis

This type of plan enables high-quality, community-supported improvements to SEPTA stations and service. Comprehensive plans look holistically at infrastructure and service, not only to improve the customer experience and increase ridership, but also to identify ways to encourage economic development and improved multi-modal (pedestrian, bicycle, bus, and vehicular) access.

Project Development

The Project Development Department is responsible for creating and coordinating a capital project development process that includes prioritizing capital projects based on the Strategic Business Plan.

Capital Project Development Process

Phase I of the Project Development Process is complete after external and internal stakeholder collaboration. The new process, Capital Projects Transparent Reporting Accountability Collaboration (CapTRAC) is now in implementation, Phase II. CapTRAC relies on standardized information requirements for approvals for funding through delivery of capital projects. The two staff members of the Project Development Department with extensive Project Development and

Engineering Management experience provide oversight and direction for this initiative, including the transition to a modernized, automated project database, which will provide reporting on Key Performance Indicators (KPIs). The new process and reporting data will provide trending analytics to focus on opportunities for cost savings and improved quality.
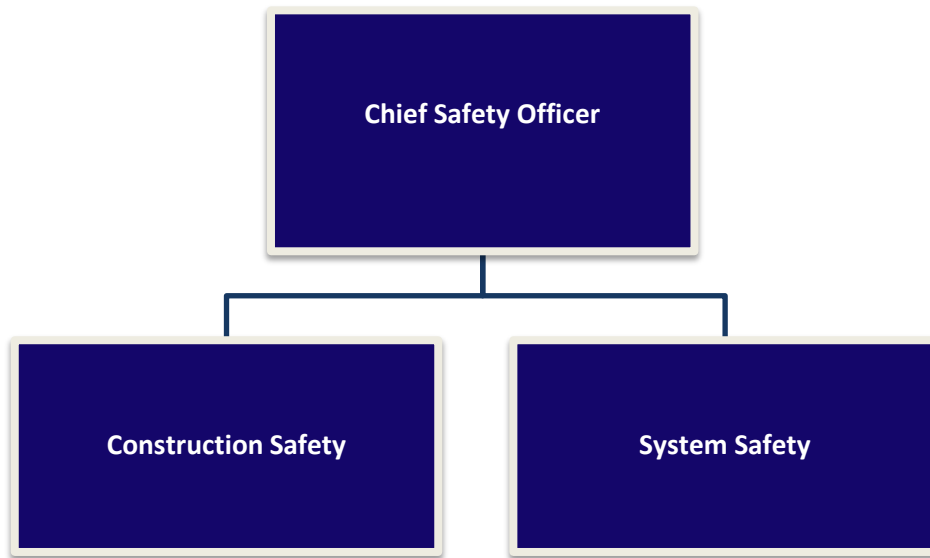
Project Scoping and Conceptual Design
This Department also supports Planning and Strategic Initiatives in engineering feasibility, alternatives analyses, and site evaluation for capital initiatives such as Bus Revolution ends of lines and Zero Emissions Bus.

SYSTEM SAFETY

Overview
SEPTA's System Safety Division consists of a team of experienced safety professionals who are dedicated to ensuring and enhancing the safety of SEPTA's employees and customers. This Division serves as the corporate safety consultants for all employees to ensure regulatory compliance with a variety of safety and environmental regulations.

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                    ┌──────────────────────┐
                    │ Chief Safety Officer │
                    └──────────────────────┘
                               │
             ┌─────────────────┴─────────────────┐
   ┌───────────────────┐              ┌───────────────────┐
   │ Construction Safety│              │   System Safety   │
   └───────────────────┘              └───────────────────┘
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				$ Amounts in Thousands ('000)	
Safety	**Heads**	**Net Labor**		**Non-Labor**	**Total**
Construction Safety	4	$ 223	$ -	$	223
System Safety*	23	$ 2,280	$ 1,183	$	3,463
Total	**27**	**$ 2,503**	**$ 1,183**	**$**	**3,686**

*Utilities not included in non-labor total

<u>Principal Responsibilities</u>

System Safety
System Safety performs a wide range of tasks that are designed to ensure and enhance the safety of our employees, customers, and the community. These tasks include the following:

- Develop, implement, and maintain a Safety Management System as detailed in the Authority's Safety Plans.
- Coordinate all functions related to safety throughout the Authority, including the potential for environmental and workplace health exposures.
- Routinely perform an enhanced level of safety inspections and audits. In addition to major accident investigations, also conduct occupational injury investigations and safety/risk management assessments.
- Conduct fire drills and evacuation exercises at all Authority locations.

- Direct the activities of the Joint Health and Safety Committee (JHSC) and oversee the Location Safety Committee (LSC) process.
- Assist in the coordination of multi-departmental initiatives to promote and internalize safety as the Authority's top priority.
- Provide consultation and support in the areas of environmental compliance and management of SEPTA's environmental activities.
- Oversee Environmental Site Characterization Assessments, Phase I and II Property Acquisition Assessments, and Remediation Projects.
- Oversee the Authority's International Organization for Standardization (ISO) 14001 Environmental and Sustainability Management System (ESMS).
- Manage the Property Conservation Program and the risk treatment process. Work to reduce risk exposure and implement effective risk control techniques at all Authority locations.
- Coordinate the collection and reporting of all safety statistics throughout the Authority and administer the reporting of those statistics to regulatory agencies.
- Conduct safety design reviews of SEPTA's capital construction projects.
- Conduct Safety Inspections and Audits of major Construction projects performed by both 3rd party contractors and SEPTA in-house forces.
- Serves as the Authority's Safety Liaison to various regulatory agencies; NTSB, FRA, FTA, EPA, PaDEP and PennDOT.

FRINGE BENEFITS

Fringe Benefits are a major expense for SEPTA representing 24.4% of the Fiscal Year 2024 Operating Budget Proposal of $1.686 billion. Responsibility for management of fringe benefit costs rests with all Authority departments, however, Finance and Human Resources take the lead in cost control. Expenditures for Fringe Benefits are largely controlled by statutory and contractual obligations and have been significantly influenced by national trends.

   Listed below are the various Fringe Benefit categories:

Medical and Life Insurance
SEPTA provides medical, prescription drug, dental, vision, and life insurance benefits for union employees, management employees, and retirees in accordance with SEPTA policy and labor agreements negotiated with each respective bargaining unit.

Payroll Taxes
This represents the required employer contribution for Social Security (FICA) and Railroad Retirement Taxes (RRT).

Unemployment
SEPTA is required to pay into the State and Railroad unemployment compensation funds and is self-insured for non-railroad employees.

Pension
This includes pension obligations, excluding Regional Rail employees who are covered by the Railroad Retirement System.

Workers' Compensation and FELA
Obligations to transit and Regional Rail employees injured on duty for their medical bills and lost wages.

Fiscal Year 2024 Operating Budget Proposal
Fringe Benefit Expense
(Amounts in Thousands)

Medical, Prescription, Dental, Vision & Life Insurance	$	216,295
Payroll and Unemployment Taxes		83,655
Pension		118,971
Workers' Compensation and FELA		42,000
Subtotal	$	460,921
Capital Support and Projects		(48,470)
Fringe Benefit Expense	**$**	**412,451**

Fiscal Year 2024 Operating Budget Proposal
Labor and Fringe Benefits
Amounts in Thousands (000's)

Department	Net Labor	Net Fringe Benefits	Total
Corporate Staff	$ 13,716	$ 7,827	$ 21,543
Equity & Inclusion	958	547	1,505
Finance	36,595	20,882	57,477
Human Resources	19,031	10,860	29,891
Office of General Counsel Division	19,228	10,972	30,200
Office of Inspector General	2,871	1,638	4,509
Operations	659,160	376,132	1,035,292
Planning & Strategy	4,884	2,787	7,671
System Safety	2,503	1,428	3,931
Capital Allocation	(36,138)	(20,622)	(56,760)
Total	**$722,808**	**$412,451**	**$1,135,259**

11. Summary of Interdepartmental Expenses

NON-DEPARTMENTAL EXPENSES

Amtrak	The expense is for the maintenance and use of Amtrak-owned track and facilities on the Northeast Corridor (between Trenton, NJ and Newark, DE) and the Harrisburg Line (Paoli/Thorndale Line). The Passenger Rail Investment & Improvement Act of 2008 (PRIIA) was implemented October 1, 2015. The budget reflects PRIIA mandates and cost assumptions developed by the Northeast Corridor Commission with input from SEPTA and other commuter agencies on the corridor.
ADA	The budgeted contract cost to SEPTA is shown here. The Staff cost for the administration of ADA complementary service and other accessibility programs for the disabled is included in the Operations Division under Customized Community Transportation.
Shared Ride Program	The budgeted cost for contractor door-to-door service for senior citizens. The cost of administrative staff in the Shared Ride Program is included in the Customized Community Transportation budget.
Debt Service Interest and Fees	Interest expenses and amortization of insurance premiums associated with the Authority's outstanding debt.
Property Insurance/Other Claims Payouts, Net	Reflects the projected premiums for insurance on various Authority assets, as well as other claims payouts net of recoveries.
Services for Headquarters' Building	Maintenance and administrative service expense for the operation of the corporate offices at the 1234 Market Street headquarters by a professional real estate management firm. These expenses cover both SEPTA and tenant-occupied space.
Snow Removal/ Severe Weather Contingencies	Includes snow removal and deicing at Regional Rail parking lots and station platforms only. Snow removal for all other facilities is accomplished in-house with existing forces and the related labor expense is included in the departmental budgets.
Utilities	Expense reflects the cost of non-propulsion electricity, heating oil, water and sewer, natural gas, and steam heat. All are based on projected rates of consumption and contractual or tariff based rates. Also included are expenses for telephone, cellular service, and trash removal, which are based on our current contractual agreements.

NON-DEPARTMENTAL EXPENSES cont.

CCT Connect - ADA Program

In compliance with the Americans with Disabilities Act, CCT Connect provides ADA complementary Paratransit transportation for persons who cannot use or access regular SEPTA fixed route service. Throughout the five-county service area, private carriers are under contract with SEPTA to provide door-to-door transportation to disabled riders by advanced reservation. Projected Fiscal Year 2024 ridership is 318,059 trips for ADA City Division and 217,278 trips for the Suburban Division.

One of the main focuses of CCT Connect's efforts for Fiscal Year 2024 will be the continuation of providing 100% next day rides to ADA program patrons. SEPTA is committed to maintaining a "zero trip denial" policy.

The next-day trip initiative will build upon proactive steps taken during recent years. The entire SEPTA-owned fleet of 460 vehicles is maintained to SEPTA's standards by the contract carriers. In addition, the Philadelphia trip reservation scheduling and dispatch was centralized under SEPTA supervision along with driver training and testing. Other programs were instituted to enhance contractor accountability and customer satisfaction, including patron service monitoring and mobile data terminal (MDT) swipe card readers on all CCT Connect vehicles.

ADA Program initiatives continuing during Fiscal Year 2023 include the fleet replacement program for optimizing fleet reliability and an enhanced patron eligibility certification. This process will enable those CCT riders who are able, to use fixed route service for some or all of their travel. The training was developed in cooperation with the SEPTA Advisory Committee (SAC) and the disabled community.

Shared Ride Program

The Shared Ride Program (SRP) provides shared, advance-reservation, door-to-door transportation for Pennsylvanians age 65 and older. SEPTA's CCT Connect Department is the SRP county coordinator for Philadelphia County. The Pennsylvania Lottery Fund reimburses SEPTA for 85% of the cost of each eligible CCT Connect Shared Ride Program trip according to pre-established rates, with the balance coming from patron fares and/or third-party agency sponsors. The Shared Ride Program's goal for Fiscal Year 2024 is to provide a total of 355,323 Shared Ride trips.

The Philadelphia Shared Ride Program Advisory Council (SRPAC), an independent advisory group, provides advice and information to SEPTA on Shared Ride Program service.

Injury and Damage Claims

Fiscal Year 2024 claims expense proposal is $28.3 million. Staff from the Authority's Office of General Counsel, in cooperation with various outside agencies, including the City of Philadelphia and Suburban Counties District Attorney's offices, aggressively defend against fraudulent claims.

Other Expenses

The Other Expenses category includes propulsion power, fuel, vehicle and facility rentals, and depreciation. A further description of these items can be found in the Operating Expense Section.

Glossary of Acronyms

	A
AAF	Authority Allocated Funds
ACS-64	Electric locomotives used on Regional Rail lines
ACSES II	Advanced Civil Speed Enforcement System
ADA	The Americans with Disabilities Act of 1990
ADAAA	ADA Amendments Act of 2008
ADEA	Age Discrimination in Employment Act of 1967
AGM	Assistant General Manager
AIM	Advancing Internal Management
AIP	Asset Improvement Program
APA	American Planning Association
APC	Automated Passenger Counter
APTA	American Public Transportation Association
ARPA	American Relief Plan Act
ATC	Automatic Train Control
AVL	Automatic Vehicle Locator
	B
BASCSC	Building a SEPTA Community of Service and Camaraderie
B&B	Bridges and Buildings Department
BMP	Best Management Practice
B-IV	Heavy Rail Vehicle used on the Broad Street Subway
BSL	Broad Street Line
BSS	Broad Street Subway (also referred to as the Broad Street Line)
	C
CAC	Citizen Advisory Committee
CARD	Computer Aided Radio Dispatch
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CBNR	Comprehensive Bus Network Redesign
CBTC	Communications-Based Train Control
CCIM	Control Center Information Managers
CCT Connect	Customized Community Transportation Services
CHP	Combined Heat and Power
CIH	Certified Industrial Hygienist
COBRA	Consolidated Omnibus Budget Reconciliation Act
CRC	Career Resource Connection
CRM	Customer Relations Management
CRRSA	Coronavirus Response and Relief Supplemental Act
CSP	Certified Safety Professional
CY	Calendar Year
	D
DEIS	Draft Environmental Impact Statement
DGM	Deputy General Manager
DBE	Disadvantaged Business Enterprise
DEB	Diversity, Equity and Belonging Counsel
DSM	Disposable Smart Media
DVRPC	Delaware Valley Regional Planning Commission

	E
E&A	Efficiency and Accountability Program
EAP	Employee Assistance Program
EMU	Electric Multiple Unit
EMV	Europay, MasterCard, Visa Cards
EEO/AA	Equal Employment Opportunity / Affirmative Action
EPA	Environmental Protection Agency
ESCO	Energy Service Company
ESL	English as a Second Language
ESMS	Environmental and Sustainability Management System
	F
FELA	Federal Employers Liability Act
FHWA	Federal Highway Administration
FICA	Federal Insurance Contributions Act
FIT	Facilities Improvement Team
FLSA	Fair Labor Standards Act
FMLA	Family and Medical Leave Act
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTC	Frankford Transportation Center
FTE	Full-Time Equivalent Position
FY	Fiscal Year
	G
GASB	Governmental Accounting Standards Board
GEC	General Engineering Consultant
GESA	Guaranteed Energy Savings Agreement
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GHG	Greenhouse Gas
GM	General Manager
GO	General Obligation
	H
HIPAA	Health Insurance Portability and Accountability Act of 1996
HR	Human Resources
HRIS	Human Resources Information System
	I
IOD	Injuries on Duty
IRIS	Integrated Reporting and Information System
ISRP	Infrastructure Safety Renewal Program
ISO	International Organization for Standardization
IT	Information Technology
IVR	Interactive Voice Response System
	J
JHSC	Joint Health and Safety Committee

K	
KTFC	Keystone Transportation Funding Coalition
KPI	Key Performance Indicator

L	
LEAD	Leadership Exchange Development Program
LEED	Leadership in Energy and Environmental Design
LIBOR	London Interbank Offered Rate
LMS	Learning Management System
LRV	Light Rail Vehicle
LSC	Location Safety Committee
LUCY	Loop Through University City

M	
MDBF	Mean Distance Between Failures
MDT	Mobile Data Terminal
M-IV or M-4	Heavy Rail Vehicle used on the Market-Frankford Subway-Elevated Line
MPO	Metropolitan Planning Organization
MFSE	Market-Frankford Subway-Elevated
MOW	Maintenance of Way
MSHL	Media-Sharon Hill Line
MWh	Megawatt-Hour

N	
N5	Heavy Rail Vehicle used on the Norristown High Speed Line
NEC	Northeast Corridor
NHSL	Norristown High Speed Line
NJT	New Jersey Transit
NTSB	National Transportation Safety Board

O	
OCIP	Owner Controlled Insurance Program
OEM	Original Equipment Manufacturer
OGC	Office of General Counsel
OIG	Office of Inspector General
OSIP	Operational Safety Improvement Program

P	
PA UCP	Commonwealth of Pennsylvania's Unified Certification Program
PADEP	Pennsylvania Department of Environmental Protection
PCC	President's Conference Committee streetcar or trolley
PCI	Payment Card Industry
PECO	Philadelphia Electric Company
PennDOT	Pennsylvania Department of Transportation
PLRB	Pennsylvania Labor Relations Board
PPE	Personal Protective Equipment
PPTA	Pennsylvania Public Transportation Association
PRIIA	Passenger Rail Investment and Improvement Act of 2008
PTAF	Public Transportation Assistance Fund
PTC	Positive Train Control
PWD	Philadelphia Water Department

R	
RFP	Request for Proposal
ROI	Return on Investment
RRD	Regional Rail Division
RRT	Railroad Retirement Taxes
RTKL	Right-To-Know Law
RTVL	Real Time Vehicle Location
S	
SAC	SEPTA Advisory Committee for Accessible Transportation
SAM	Supervisory, Administrative and Management Employees
SBA	Special Board of Adjustment
SBE	Small Business Enterprise
SCOPE	Safety, Cleanliness, Ownership, Partnership, and Engagement program
SDS	Safety Data Sheet
SEPTA	Southeastern Pennsylvania Transportation Authority
SF	SuccessFactors (performance management system)
SGR	State of Good Repair
SL4	Silverliner 4 EMU Railcar used on Regional Rail Lines
SL5	Silverliner 5 EMU Railcar used on Regional Rail Lines
SMS	Safety Management System
SORT	Special Operations Response Team
SRP	Shared Ride Program
SRPAC	Shared Ride Program Advisory Council
SSPP	System Safety Program Plan
T	
TC	Transportation Center
TIP	Transit Improvement Program
TMA	Transportation Management Association
TO	Transformation Office
TOD	Transit Oriented Development
TSP	Transit Signal Priority
TSCD	Transit Supportive Community Development
TWU	Transport Workers Union
U	
USERRA	Uniformed Services Employment and Reemployment Rights Act of 1994
V	
VIPR	Visible Intermodal Prevention Response Team
VOH	Vehicle Overhaul Program
W	
WIT	Women in Transit
Y	
YAC	Youth Advisory Committee
Z	
ZEB	Zero Emission Bus

Glossary of Terms

A

Accessible - As defined by FTA, a site, building, facility, or portion thereof that complies with defined standards and that can be approached, entered, and used by persons with disabilities.

Accessible Service - A term used to describe service that is accessible to non-ambulatory riders with disabilities. This includes fixed-route bus service with wheelchair lifts or ADA Paratransit service with wheelchair lift equipped vehicles.

Accrual Basis - A basis of accounting in which expenses are recognized at the time they are incurred, and revenue is recognized when earned, as opposed to disbursed or received.

Act 44 - A law passed by the Pennsylvania General Assembly in 2007 that provided SEPTA and transit agencies across the Commonwealth with stable, dedicated, and growing operating subsidy.

ADA Paratransit Service - In accordance with the Americans with Disabilities Act (ADA), SEPTA provides comparable service for people with disabilities who are functionally unable to use regular accessible fixed-route bus service for some or all of their transportation needs. Eligible individuals can travel whenever and wherever buses operate in SEPTA's five-county service region. See also "CCT Connect".

Ambassador - SEPTA management or third party contract employees temporarily enlisted during special events or emergencies to serve as customer service representatives to aid in crowd control and passenger way findings.

Americans with Disabilities Act of 1990 - This federal act requires many changes to transit vehicles, operations, and facilities to ensure that people with disabilities have access to jobs, public accommodations, telecommunications, and public services, including public transit.

Amtrak - Service Mark of the National Railroad Passenger Corporation and subsidiaries. Primarily provides nationwide intercity passenger railroad service.

B

Balanced Budget - A budget in which expected revenues equal expected expenses during a fiscal period. SEPTA's enabling legislation requires the Board of Directors to adopt a balanced budget before the beginning of each fiscal year.

Blue Line - See "Market-Frankford Subway-Elevated"

Bombardier – Manufacturer of Aerospace and Rail equipment

Broad Street Line - A rapid transit subway running under Philadelphia's main north-south street. The Broad Street Subway opened in 1928 with several extensions over the years. A spur under Ridge Avenue to 8th and Market Streets opened in 1932. Also referred to as the BSL, BSS, and "Orange Line".

Budget - A plan of financial activity for a specified period of time indicating all planned revenues and expenses for the budget period.

Glossary of Terms

Bus - A transit mode comprised of rubber tired passenger vehicles operating on fixed routes and schedules over roadways. Vehicles are powered by diesel, gasoline, battery, or alternative fuel engines contained within the vehicle.

C

Capital Expenditure - Expenses that acquire, improve, or extend the useful life of any fixed asset item with an expected life of three or more years, e.g., rolling stock, track and structure, support facilities and equipment, and stations and passenger facilities. SEPTA includes capital expenditures in the Capital Budget, which is published separately from this document.

Car-Mile - A single mile traveled by either a single vehicle or a single rail car in a multiple car consist.

CCT Connect - SEPTA Customized Community Transportation (CCT) provides paratransit service — CCT Connect — to individuals with disabilities and senior citizens. In addition, SEPTA's bus fleet is 100% accessible.

CMAQ (Congestion Mitigation/Air Quality) Program - A federal grant program in which FHWA funds are transferred to FTA for transit projects designed to improve air quality and reduce traffic congestion.

Commuter Rail - Local and regional passenger train operations between a central city, its suburbs and/or another central city. It may be either locomotive-hauled or self-propelled and is characterized by specific station-to-station fares, railroad employment practices and usually only one or two stations in the central business district. Also referred to locally as Railroad, Regional Rail, and RRD.

Contributed Capital - Reflects capital grants received for the acquisition of fixed assets. Assets acquired with grants are depreciated over the estimated life of the applicable asset. Contributed Capital is also amortized over the same estimated life of the asset.

Cost Per Mile - Operating expense divided by vehicle miles for a particular program or in total.

Cost Per Passenger - Operating expense divided by ridership for a particular program or in total.

Customer Satisfaction Survey – A survey that is conducted every 2-3 years to collect rating observations about the various modes of SEPTA transit from approximately 1,950 riders and non-riders in the SEPTA region.

D

Deadhead - The miles and hours that a vehicle travels when out of revenue service. Deadhead includes leaving or returning to the garage or yard facility, changing routes, and when there is no expectation of carrying revenue passengers. However, deadhead does not include charter service, operator training, or maintenance training.

Debt Service - The payment of interest on outstanding debt and the repayment of principal on long term borrowed funds according to a predetermined payment schedule.

Deficit - The amount by which revenue and subsidy falls short of expenses during a given accounting period.

Delaware Valley Regional Planning Commission - The area-wide agency, or Metropolitan Planning Organization (MPO), charged with the conduct of the urban transportation planning process. It is also the single, region-wide recipient of Federal funds for transportation planning purposes. Together with the state, it carries out the planning and programming activities necessary for Federal capital funding assistance. The MPO is designated by agreement among the various units of local government and the governor.

Depreciation and Amortization - The charges that reflect the loss in service value of the transit agency's assets. Depreciated items have a high initial cost and a useful life of more than one accounting period. In order to account for the reduction in value (usefulness) of this type of asset, a portion of the cost is expensed each year of the asset's life.

F

Farebox Revenue - Revenues obtained from passengers and other fare subsidies except the state reduced fare subsidy program. Farebox revenue is also referred to as Passenger Revenue.

Fares - The amount charged to passengers for use of various services.

FAST Act – Fixing America's Bus Transportation Act. Passed by Congress and signed into law by President Obama on December 7, 2015, providing long-term federal funding for critical transportation needs.

Federal Transit Administration - The FTA is the federal agency which provides financial assistance to cities and communities to provide mobility to their citizens.

Fiscal Year - SEPTA's fiscal year runs from July 1 through June 30.

Fixed Guideway - A mass transportation facility using and occupying a separate right-of-way or rail for the exclusive use of mass transportation and other high occupancy vehicles; or using a fixed catenary system useable by other forms of transportation.

Fixed Route Service - Service provided on a repetitive, fixed-schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed-route trip serves the same origins and destinations, unlike demand responsive and taxicabs.

Flexible Funds - Federal funds made available by MAP-21 that can be used for various transportation projects, including both highway and mass transit projects. Allocation of these funds is at the discretion of regional Metropolitan Planning Organizations (MPOs) and state governments.

Fringe Benefits - Payments or accruals to others (insurance companies, governments, etc.) on behalf of an employee and payments or accruals direct to an employee arising from something other than the performance of a duty. These payments are costs over and above "labor" costs, but still arising from the employment relationship.

Full-Time Equivalent Position (FTE) - A measurement equal to one staff person working a full schedule for one year.

Fully Allocated Costs - The distribution of operating expenses to each mode by type of service and function. Fully allocated costs account for all direct costs plus the assignment of any joint or shared expenses.

Funding Formula - A specific formula used to determine a subsidy level.

G
Government Finance Officers Association Mission Statement (GFOA) - The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Green Line - See "Subway-Bus Lines"

H

Hay Evaluation System – A job performance evaluation method used by SEPTA.

Headquarters Allocation - A method used to allocate the costs associated with operation and administration of SEPTA's headquarters division to the other four operating divisions.

Headway - Time interval between vehicles moving in the same direction on a particular fixed route.

Heavy Rail - A transit mode that is an electric railway with the capacity for a heavy volume of traffic. It is characterized by high speed and rapid acceleration passenger rail cars operating individually or in multi-car trains on fixed rails; separate rights-of-way from which all other vehicular and foot traffic are excluded; sophisticated signaling, and high platform loading.

Heavy Rail Cars - Rail cars with motive capability, driven by electric power taken from overhead lines or third rails, configured for passenger traffic and usually operated on exclusive rights-of-way.

Hybrid Bus - A bus that is powered by a combination of electricity and diesel, gasoline, or alternative fuel.

I

INFOR – SEPTA's Enterprise Resource Planning (ERP) System.

Infrastructure - The physical assets of the Authority, e.g., rail lines and yards, power distribution, signaling, switching, and communications equipment, passenger stations, information systems, and roadways, upon which the continuance and growth of transit depend.

Interest Expense - The charges for the use of borrowed capital incurred by the transit agency, including interest on long term and short term debt obligations.

Interlocking – An arrangement of signal apparatus and turnouts that prevents conflicting movements through an arrangement of tracks such as junctions or crossings.

ISO 14001 Environmental Certification – The international standard that specifies requirements for an effective environment management system (EMS).

L

Leases and Rentals - The payments for the use of capital assets not owned by the transit agency.

Light Rail - A transit mode that typically is an electric railway with a lighter volume traffic capacity compared to heavy rail. It is characterized by passenger rail cars operating individually or in short, usually two car trains on fixed rails on shared or exclusive right-of-way; low or high platform loading; and vehicle power drawn from an overhead electric line via a trolley pole or a pantograph.

Light Rail Car - A rail car with motive capability, usually driven by electric power taken from overhead lines, configured for passenger traffic, and usually operating on non-exclusive right-of-way. Also known as "streetcar," "trolley car" and "trolley".

Linked Trip - A single, one-way trip without regard for the number of vehicles boarded to make the trip (i.e., a home-to work trip taken by boarding a bus, to a train, to another bus represents one linked trip or three unlinked trips).

M

Market-Frankford Subway-Elevated - The Market-Frankford Line runs on an elevated guideway from the Frankford Transportation Center in Northeast Philadelphia, through Center City Philadelphia as a subway, and continuing on an elevated guideway above Market Street in West Philadelphia into 69th Street Terminal in Upper Darby, Delaware County. Also referred to as the Market Street Elevated (MSE), MFSE and "Blue Line."

Mean Distance Between Failure – A measure of vehicle availability and reliability, equal to the average distance between failures for all vehicles within a particular mode.

Metro Rail – SEPTA's new brand for rail transit modes including the Market Frankford Line, Broad Street Line, Norristown High Speed Line, and trolley lines.

Mpact (formerly Rail~Volution) - A network of industry leaders and advocates focused on the interplay of transit, mobility, and development in creating great places to live - for everyone.

N

Net Position - Total assets and deferred outflows of resources minus total liabilities and deferred inflows of resources of the Authority. This term is used in SEPTA's annual financial statements.

Non-Revenue Vehicle - Vehicles and equipment that are used for construction, vehicle and facility maintenance, and service supervision. These vehicles are not used for passenger revenue service.

O

Operating Assistance - Financial assistance for transit operations (as opposed to capital) expenditures.

Operating Budget - The planning of revenues and expenses for a given period of time to maintain daily operation

Operating Ratio - Operating revenue divided by operating expense. For this purpose, the Commonwealth has defined operating revenue to include Passenger Revenue, Shared Ride program revenue, Investment Income, Other Income and Route Guarantees. Also for this purpose, the Commonwealth excludes Depreciation from operating expenses.

Orange Line – See "Broad Street Line"

P

Passenger Miles - The cumulative sum of the distance ridden by each passenger.

Public Transportation - As defined in the Federal Transit Act, transportation provided by bus or rail, or other conveyance, either publicly or privately owned, providing to the public general or special service (but not including school buses or charter or sightseeing service) on a regular continuing basis. Public transportation is also synonymous with the terms mass transportation and transit.

R

Revenue Car Mile or Revenue Vehicle Mile - A single mile traveled by one car (or vehicle) during which the vehicle is in revenue service (i.e., picking up and/or dropping off passengers).

Revenue Vehicle - A single vehicle or a single car in a multiple car consist during which the vehicle is in revenue service (i.e., picking up and/or dropping off passengers).

Reverse Commute - City to suburb commute. This phrase refers to the fact that most riders commute from the suburbs to the city.

Ridership - Each passenger counted each time that person boards a vehicle. See also unlinked passenger trips.

Rolling Stock - Public transportation vehicles including commuter rail cars, locomotives, rapid transit cars, light rail cars, trolleybuses, buses, and vans.

Route Mile - A one-mile segment of a given fixed route in a fixed route network.

S

SEPTANow – SEPTA's employee newsletter.

Service Stabilization Fund – Deferred subsidy from state and local funding sources.

Shared-Ride Program - The Shared-Ride program is a door-to-door, advance-reservation, ride-sharing service, offered to senior citizens 65 years of age and residents of Philadelphia. This service can be used to travel within the City of Philadelphia and to any location in the surrounding counties within three miles of the City's border. Pennsylvania's Lottery Fund contributes to the cost of operating this program.

Silverliner - A multiple unit self-propelled railroad passenger car, powered by electricity collected from overhead catenary wires. The Silverliner fleet was acquired over time and currently consists of two vehicle types: Silverliner IV and V. These railroad cars feature stainless steel construction and represent the majority of SEPTA's railroad fleet.

Streetcar - See "Trolley"

Subsidy - Funds received from another source that are used to cover the cost of a service or program that is not self-supporting.

Subway-Bus Lines - A combination of five trolley lines serving various neighborhoods in West Philadelphia or nearby suburban communities above ground, reaching Center City Philadelphia through a subway tunnel partially shared with the Market-Frankford Line.

Surplus - The amount by which revenue and subsidy exceeds total expenses during a given accounting period.

T

Total Vehicle Miles - The sum of all miles operating by passenger vehicles, including mileage when no passengers are carried.

Trackless Trolley - See "Trolleybus"

Trapeze - Software utilized by SEPTA for scheduling and management of transportation operations.

Trolley - A powered rail car, usually driven by electric power drawn from overhead wires via a trolley pole or pantograph. The vehicle usually operates on shared rights-of-way. Also known as "trolley car," "streetcar" and "light rail car".

Trolleybus - An electric, rubber-tired transit vehicle, manually steered, propelled by a motor drawing current through overhead wires from a central power source not on board the vehicle. Also known locally as "Trackless Trolley".

V

VERITAS - Authority's Customer Relations Management (CRM) program