

SEPTA | FISCAL YEAR 2024

OPERATING BUDGET HIGHLIGHTS

FACTORS INFLUENCING REVENUE BUDGET

- **Growth of 12% in total revenue** over FY2023 Budget
- Growth in **Key Advantage** (30,000+ Eligible Employees)
- Additional **Fare Enhancements** designed to increase ridership: a second free transfer, and Zone 1 + PHL Airport Regional Rail access for TransPass users
- **Fare increases deferred** for one more fiscal year
- Full Funding of **Shared Ride Program** (E&A Initiative)
- Significant **Investment Income** growth driven by interest rates and cash from bond proceeds

FACTORS INFLUENCING SUBSIDY BUDGET

- Final use of one-time **Federal COVID Relief Funding**, projected to exhaust before the end of FY2024 (Current Projection: April 2024)
- **Major structural deficit** in out-years of Five-Year Projections as Federal COVID Relief Funding exhausts
- Increased use of recurring **State & Local Subsidies** to balance the budget (23 consecutive years)

FACTORS INFLUENCING EXPENSE BUDGET

Key Factors

- Continued inflation, with budget-wide impacts such as material costs & fuel/electricity prices
- Strategic wage adjustments
- Ongoing vacancies in budgeted headcount
- Targeted capitalization of eligible expenses

Strategic Investments

- Substantial investments in **customer-facing and back-end technology improvements**, including website, mobile app, and real-time information
- Continued expansion of **Human Resources** recruitment & retention efforts
- Sustained development of “Safety, Cleaning, Ownership, Partnership & Engagement” (**SCOPE**) Program to support the vulnerable population on SEPTA’s system
- Support for **SEPTA Outreach Services**
- Ongoing implementation of SEPTA’s **Efficiency & Accountability (E&A) Transformation Program**
- Continued planning efforts to support **Bus Revolution & Reimagining Regional Rail Program**
- Significant support for **Capital Program**

OPERATING REVENUE

\$ Amounts in ('000)	2022	2023	2024
	Actual	Budget	Proposal
Passenger Revenue	\$ 226,576	\$ 265,567	\$ 280,705
Shared Ride Program	7,301	9,569	25,306
Other Income	34,129	40,496	32,966
Investment Income	525	598	16,768
TOTAL OPERATING REVENUE	\$ 268,531	\$ 316,229	\$ 355,745

OPERATING SUBSIDY

\$ Amounts in ('000)	2022	2023	2024
	Actual	Budget	Proposal
Federal	\$ 333,445	\$ 423,101	\$ 347,952
State	717,651	757,170	853,185
Local	103,648	108,641	122,557
Other	5,918	5,393	6,208
TOTAL SUBSIDY	\$ 1,160,662	\$ 1,294,305	\$ 1,329,902

OPERATING EXPENSES

\$ Amounts in ('000)	2022	2023	2024
	Actual	Budget	Proposal
Labor & Fringe Benefits	\$ 1,039,378	\$ 1,081,212	\$ 1,135,259
Materials & Services	283,414	403,603	419,562
Injury & Damage Claims	22,808	28,795	28,339
Propulsion Power	23,906	32,838	39,603
Fuel	23,731	31,626	31,436
Vehicle & Facility Rentals	7,388	8,200	4,732
Depreciation	24,515	24,260	26,716
TOTAL EXPENSES	\$ 1,374,199	\$ 1,610,534	\$ 1,685,647

