MINUTES OF REGULAR BOARD MEETING
OF
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
OCTOBER 24, 2013

The Regular Meeting of the Board of the Southeastern Pennsylvania Transportation Authority was held on Thursday, October 24, 2013 at 3:00 PM, in the Board Room of the Authority, with the Chairman in the Chair.

Present

Attending the meeting were the following Board members:

- Pasquale T. Deon, Sr., Chairman
- Thomas E. Babcock, Vice Chairman
- Beverly Coleman
- Rina Cutler
- Thomas Jay Ellis, Esquire
- Christopher H. Franklin
- Kevin L. Johnson, P.E.
- John I. Kane
- Daniel J. Kubik (via telephone)
- Kenneth Lawrence
- Honorable Charles H. Martin
- Honorable Leslie S. Richards
- James C. Schwartzman, Esquire

Present from the staff:

- Joseph M. Casey, General Manager
- Donna Daly, Esquire, Special Counsel
- Richard G. Burnfield, Chief Financial Officer/Treasurer
- Jeffrey D. Knueppel, Deputy General Manager
- Stephen A. Jobs, Controller
- Carol R. Looby, Secretary
- Ronald G. Hopkins, AGM, Operations
- Kim Scott Heinle, AGM, Customer Service
- Francis E. Kelly, AGM, Government & Public Affairs
- Susan Van Buren, AGM, Human Resources

Mr. Deon called the Regular Meeting of the Board to order. Mr. Deon said the Special Meeting, which was noticed, was cancelled.

Mr. Deon announced that Daniel Kubik would be participating by phone. Mr. Kubik acknowledged his presence.

Pledge of Allegiance was observed.

Mr. Deon announced that the Board met in Executive Session just prior to the meeting to discuss legal matters.
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Mr. Deon stated that if there were speakers who wished to address agenda items they would be called before the Board voted on the item and asked that they limit their remarks to three minutes. He said speakers wishing to address items not on the agenda would be called after the regular business of the Board was completed.

Approval of Minutes

Mr. Deon entertained a motion regarding the Minutes of the September 26 Regular Board meeting, which had been circulated. Mr. Ellis moved, Mr. Babcock seconded, and the Minutes were unanimously approved.

Financial Report

Mr. Burnfield reported that in September regional rail and suburban transit ridership was level with last year and City transit ridership was slightly below last year.

Mr. Burnfield reported that the total operating revenue for the month was $700,000 below budget. He said that operating expenses for this period were $1.1 million under budget. Mr. Burnfield reported that for the month, there was a budget surplus of $400,000, and that year-to-date there was a budget deficit of $1.5 million.

Mr. Deon entertained a motion to adopt the Financial Report. Ms. Cutler moved, Mr. Kubik seconded and it was unanimously adopted.

The September Financial Report is received and filed and is attached to these Minutes as Exhibit "A."

Mr. Deon then called for speakers wishing to address agenda items. There was no response.

Consent Calendar

Mr. Deon then presented the Consent Calendar, which consisted of:

"Appointment of Innovator Management, LLC, as Investment Manager;"

"Exchange of Nominal Perpetual Easements Between SEPTA and Enrico Partners, L.P. in Properties that are Situated in the Township of Radnor, Delaware County;"

"Lease to the Borough of Souderton of Various Buildings and Parcels of Ground at Souderton Passenger Station in Montgomery County;"
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"Delegation of Authority and Adoption of Procedures for Issuance of Board Subpoenas;"

"Memorandum of Agreement By and Between SEPTA and the United Transportation Union, Local 61;"

"Authorization to Award a Contract for a Procurement;"

"Award of Various Contracts for Sole Source Procurements;" and

"Authorization to Execute a Change Order."

Mr. Deon stated that all of the items on the Consent Calendar were reviewed by the appropriate Board Committees in public session.

Mr. Deon entertained a motion to adopt the resolutions. Mr. Ellis moved, Mr. Lawrence seconded and the following resolutions were unanimously adopted.

I.A. APPOINTMENT OF INNOVATOR MANAGEMENT, LLC AS INVESTMENT MANAGER

"WHEREAS, on February 24, 2011 the Pension Committee of the Board revised the Statement of Investment Policy and Objectives and Operating Guidelines ("Policy Statement") which governs the investment of the funds of the pension plans of SEPTA; and

WHEREAS, on March 22, 2012, the Board approved the addition of a Local and Emerging Manager Fund component as a permissible asset class within the Combined SEPTA Pension Plan; and

WHEREAS, at the request of the Pension Committee, PFM Advisors, SEPTA's pension consultant, identified Innovator Management, LLC ("Innovator") as an investment firm qualified to serve as a Local and Emerging investment manager, and circulated to the members of the Pension Committee a summary of Innovator's product, investment management style and performance data; and

WHEREAS, at the meeting that was held on September 26, 2013, representatives of Innovator, along with sub-advisor Trust & Fiduciary Management Services, Inc., made a presentation to the Pension Committee and responded to questions from Pension Committee members and PFM Advisors; and

WHEREAS, as a result of said presentation and interview, the Pension Committee recommended that SEPTA appoint Innovator as a Local and Emerging investment manager with respect to the investment of SEPTA's pension funds, with initial funding and timing of the investments to be determined by the Pension Committee.
NOW, THEREFORE, BE IT RESOLVED, that the Board hereby designates and appoints Innovator Management, LLC (with Trust & Fiduciary Management Services, Inc., as sub-advisor), as a manager of SEPTA's investments in the Local and Emerging Manager component of the SEPTA Pension Plan, and authorizes the proper officers of SEPTA (i) to execute and deliver all documents, in form approved by the Office of General Counsel, that will enable SEPTA to enter into an investment management agreement with Innovator Management, LLC; and (ii) to do any and all other things that will be necessary in order to effectuate this Resolution."

II.A.1. EXCHANGE OF NOMINAL PERPETUAL EASEMENTS BETWEEN SEPTA AND ENRICO PARTNERS, L.P. IN PROPERTIES THAT ARE SITUATED IN THE TOWNSHIP OF RADNOR, DELAWARE COUNTY

"WHEREAS, due to the limited clearance between SEPTA's Norristown High Speed Line (NHSL) right-of-way and Lancaster Avenue (US Route 30) in Radnor, Delaware County, SEPTA vehicles have been traversing the adjacent property owned by Enrico Partners, L.P. ("Enrico") for several years to gain safe access thereto without objection; and

WHEREAS, Enrico has recently expressed a desire to use a sloped area along the periphery of SEPTA's NHSL right-of-way for its development of approximately 20 parking spaces to serve Enrico's office/retail complex; and

WHEREAS, it is proposed that SEPTA be granted a non-exclusive easement in the Enrico property (totaling 1.212 acres) to facilitate SEPTA's access between the NHSL right-of-way and Lancaster Avenue, in exchange for SEPTA granting Enrico an exclusive easement in SEPTA's property (totaling .103 acre) within the NHSL right-of-way for Enrico's development of the parking spaces; and

WHEREAS, the proposed easements will be exchanged for nominal consideration and be perpetual in term, with the exception that they can be terminated with one year's prior notice in the event SEPTA needs to reclaim its property for transportation purposes; and

WHEREAS, the proposed easements are further subject to the concurrence of the Federal Transportation Administration ("FTA"); and

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to enter into an agreement for the exchange of the perpetual easements with Enrico as set forth above and more fully described in the pertinent staff summary; and
WHEREAS, the General Manager made the recommendation to the Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the proposed easement agreements with Enrico Partners, L.P. which will enable SEPTA safe and unobstructed access between the NHSL right-of-way and Lancaster Avenue, as more fully described in the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution."

II.A.2. LEASE BY SEPTA TO THE BOROUGH OF SOUDERTON OF VARIOUS BUILDINGS AND PARCELS OF GROUND AT SOUDERTON PASSENGER STATION IN MONTGOMERY COUNTY

"WHEREAS, SEPTA owns the Souderton Passenger Station which is located on the out-of-service Bethlehem Branch in Montgomery County, Pennsylvania; and

WHEREAS, the station property includes some 90,107 square feet of ground and improvements thereon, including a station building (1,300 square feet), outbound waiting room building (350 square feet), freight house building (1,525 square feet) and parking lot; and

WHEREAS, SEPTA currently leases the station building and parking lot to a restaurateur, 11,683 square feet of ground to the Borough of Souderton ("Borough") for public parking, and 3,125 square feet of ground to a bank for parking; and

WHEREAS, the lease for the station building expires in 2019, while the leases with the Borough and bank are in month-to-month and year-to-year hold-over status, respectively; and

WHEREAS, the Borough has requested SEPTA to terminate all existing leaseholds (with the permission of the tenants) and then lease to the Borough all the buildings and the ground ("Premises") for renovation and subleasing of the buildings and for development of parking for public use and subleasing back to the restaurant and bank; and

WHEREAS, under the proposed lease agreement ("Lease") the base term will be for a period of 30 years with two (2) consecutive 5-year renewal options, for an initial annual rent of $33,000, with annual increases of three percent (3%) thereafter; and

WHEREAS, the Premises shall be leased in "as is" condition with the Borough being responsible for all repairs and maintenance thereof, which will include the expenditure by the Borough of
$1,500,000 in Federal and State Funded improvements, which will be subject to SEPTA’s engineering approvals, and which will be offset at the rate of $27,000 annually against rentals due SEPTA over the term of the Lease, resulting in SEPTA receiving minimum net rental proceeds of $300,016 over the 30-year base term of the lease and $471,980 over the maximum term of 40 years; and

WHEREAS, the lease shall also provide for indemnification of SEPTA and satisfaction of insurance and safety requirements, as well as include all FTA required language, including SEPTA’s ability to recapture the Premises for transportation purposes; and

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to enter into the proposed lease agreement by which SEPTA will lease the Premises to the Borough of Souderton under the terms set forth above and within the pertinent staff summary.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee to execute all documents, in form approved by the Office of General Counsel, and to do any and all other things as shall be deemed necessary and proper in order to effectuate the purpose of this Resolution."

II.A.3. DELEGATION OF AUTHORITY AND ADOPTION OF PROCEDURES FOR ISSUANCE OF BOARD SUBPOENAS

"WHEREAS, according to Section 1727 of SEPTA’s enabling legislation, the Public Transportation Law (Act 26 of 1991, as amended by Act 3 of 1994), the Board is granted, inter alia, the explicit power to conduct investigations and utilize subpoenas in aid thereof regarding the activities, conduct and efficiency of all officers, agents and employees of the Authority; and

WHEREAS, the Secretary of the Board is vested with the sole authority to issue subpoena’s on behalf of the Board; and

WHEREAS, prior to the issuance of any such subpoena, each subpoena is supposed to be reviewed and approved by the Board, or an individual appointed by the Board; and

WHEREAS, over the years SEPTA’s Office of Inspector General has effectively used the Board subpoena power as an essential and effective tool to gather important records and information facilitating their investigations of suspected fraud, waste and abuse; and
WHEREAS, SEPTA's Transit Police Department could also greatly benefit from use of the Board's subpoena power in furtherance of its own criminal investigatory process, and

WHEREAS, upon the advice of the General Counsel, it is desired that the Board delegate certain of its powers to increase timeliness and efficiency in the issuance of Board subpoenas pursuant to Section 1727 of the Public Transportation Law, to both SEPTA's Inspector General and SEPTA's Chief of Police; and

WHEREAS, the General Counsel has also developed a formal set of procedures outlining the specific protocols to be followed with respect to the request, review, completion, approval, and ultimate issuance of all subpoenas under Section 1727 of the Public Transportation Law; and

WHEREAS, the General Counsel requested that the General Manager recommend that the Board delegate its authority under Section 1727 of the Public Transportation Law pertaining to the issuance of subpoenas to SEPTA's Inspector General and Chief of Police, as well as recommend the adoption of the formal procedures required for the request, review, completion and approval process in anticipation thereof, as set forth above and more fully described in the pertinent staff summary; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby delegates its power and authority to issue subpoenas as granted under Section 1727 of the Public Transportation Law, to SEPTA's Inspector General and SEPTA's Chief of Police.

FURTHER RESOLVED, that the Board also hereby authorizes and approves those procedures developed by the General Counsel with respect to the formal process that must be followed in order to request, review, complete and approve all subpoenas being issued under the foregoing delegation of authority and in exercising those powers granted by Section 1727 of the Public Transportation Law contemplated hereunder, as set forth above and more fully described in the pertinent staff summary."

II.A.4. MEMORANDUM OF AGREEMENT BY AND BETWEEN SEPTA AND THE UNITED TRANSPORTATION UNION, LOCAL 61

"WHEREAS, negotiations between representatives of SEPTA and the United Transportation Union, Local 61 ("Union") have resulted in a proposed Memorandum of Agreement which governs the terms and conditions of employment of the Railroad Division bargaining unit employees whom the Union represents; and
WHEREAS, SEPTA staff has communicated to the Board the terms of the proposed Memorandum of Agreement and the terms are summarized within the pertinent staff summary; and

WHEREAS, the appropriate members of the Union have ratified the Memorandum of Agreement; and

WHEREAS, the General Manager recommended that the Board approve and ratify the proposed Memorandum of Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves and ratifies the proposed Memorandum of Agreement by and between SEPTA and the United Transportation Union, Local 61, which governs the terms and conditions of employment of the Railroad Division bargaining unit employees whom the Union represents.

FURTHER RESOLVED, that the Board hereby authorizes the General Manager or his designee and other proper officers of SEPTA to take all necessary and proper action including, but not limited to, amending agreements with the providers of medical, prescription and dental benefits and life insurance, in order to implement the terms and conditions of the Memorandum of Agreement and to do all other acts necessary and proper to effectuate this Resolution."

II.B. AUTHORIZATION TO AWARD CONTRACT FOR A PROCUREMENT

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

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

WHEREAS, staff requested that the General Manager recommend that the Board authorize SEPTA to award the contract identified below; and

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

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and for the General Manager or his designee to execute the contract identified below in form approved by the Office of General Counsel, subject to and contingent upon the concurrence of the funding agencies, if required, and contingent upon and subject to the vendors satisfactorily meeting all requirements of the bid terms and specifications, including full compliance with any applicable Disadvantaged Business Enterprise requirements:

1. To Railroad Resources & Recovery, Inc., for the removal and disposal of an estimated 460 tons of steel rail and other
track material from SEPTA's railroad right-of-way on the Chester Creek Branch in Delaware County, at a unit price of $336.25 per ton, with services scheduled to be performed over a period of 56 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total estimated contract amount of $154,675, which will be split with Delaware County (per lease agreement) on a 50/50 basis, Sealed Bid No.13-089-AJE - Steel Rail and Other Track Material Removal on the Chester Creek Branch."

II.C. AWARD OF VARIOUS CONTRACTS FOR SOLE SOURCE PROCUREMENTS

"WHEREAS, SEPTA has need for the supplies and services described below and those supplies and services are available only from the firms listed below; and

WHEREAS, staff reviewed the cost of the supplies and services and the General Manager recommended that the Board authorize SEPTA to award the contracts.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the contracts identified below, all in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and contingent upon and subject to each vendor/contractor satisfactorily providing any required bonds, insurance certificates and/or other documents, and complying with any applicable Disadvantaged Business Enterprise requirements:

1. To Tyco Integrated Security LLC for the purchase and installation of 64 additional cameras and expansion of camera storage space to support the New Payment Technology Projects requirement for customer assistance phone cameras, with material to be delivered and installed within 60 calendar days after issuance of Notice-to-Proceed, as described in the staff summary on this subject, for a total contract amount not to exceed $56,683.99.

2. To Knorr Brake Company (formerly New York Air Brake), for the purchase of 42 blending valves, 72 blending valve kits and 1 test bench to be used in the maintenance of the Silverliner IV rail car fleet, at unit prices of $11,230.66, $689.41 and $25,350, respectively, along with an additional $42,230 in engineering costs, with delivery of material scheduled to commence in February 2014, as described in the staff summary on this subject, for a total contract amount not to exceed $588,905.24.

3. To Northrup Grumman Systems Corporation, for the purchase of a mobile enhancement of the Northrup Grumman Commandpoint Computer Aided Dispatch (CAD) System, with installation and operation of the upgraded enhancement scheduled
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to be completed by December 31, 2013, as described in the staff summary on this subject, for a total contract amount not to exceed $49,950.

4. To The American Arbitration Association, for the rendering of services for interpretation of SEPTA’s collective bargaining agreements and resolution of union grievances pertaining to working conditions and disciplinary matters, with services to be performed on an “as required” basis over a period of three years scheduled to commence on November 1, 2013, as described in the staff summary on this subject, for a total contract amount not to exceed $70,000.”

II.D. AUTHORIZATION TO EXECUTE A CHANGE ORDER

“WHEREAS, additional work is required to complete the project identified below; and

WHEREAS, staff reviewed the cost of the additional work and the General Manager recommended that the Board authorize SEPTA to order the additional work.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes SEPTA to award and the General Manager or his designee to execute the change order identified below in form approved by the Office of General Counsel, subject to the concurrence of the funding agencies, if required, and to any applicable Disadvantaged Business Enterprise requirements:

1. To Neshaminy Constructors, Inc., for Change Order No. 7, which provides for additional construction-related work including the excavation, removal and disposal of unsuitable soil and changes due to design errors/omissions for the SEPTA-Wayne Junction Station Improvements Project, at an increase in cost not to exceed $521,650, bringing the total contract price, including all change orders to date, to an amount not to exceed $16,621,880, provided that with the Board’s approval of this change order, the Board authorizes the resetting of prior authorized cumulative change order amounts to zero dollars ($0) and the establishment of a new cumulative change order threshold of 10% or $500,000, pursuant to the Resolution adopted by the Board on May 22, 2008, which Resolution authorized a “Delegation of Authority for Change Orders, Amendments and Assignments.”

Report of General Manager

Mr. Casey stated that the most critical issue facing the Authority was the financial issue in Harrisburg. He said that a vote was expected, but did not occur. Mr. Casey mentioned that the legislature will meet and vote on this issue in November. Mr. Casey urged everyone present at the meeting to contact their elected officials.
Mr. Casey then recognized Chairman Deon, Vice Chairman Babcock and the entire SEPTA Board for their efforts in bringing the financial issue to the forefront of the legislature.

Mr. Deon added his appreciation and recognition of the SEPTA Board and staff for their efforts and hard work. He commented on the positive response he received from the legislature that SEPTA was operated professionally and deserving of the funding. He said that the legislature was unsure at this time how to provide SEPTA the funding. He said he was hopeful that we will receive a positive response on November 12th. Mr. Deon said that it will take the entire region and all Board members to put the work into it to gather enough votes.

Adjournment

There being no further business to come before the Board at this Regular Meeting, it was moved by Mr. Ellis seconded by Mr. Lawrence, and unanimously adopted that the meeting be adjourned at 3:04 PM.

A transcript of this meeting was made by an official court reporter and is made a part of the original Minutes.

Carol R. Looby
Secretary
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FINANCIAL REPORT
SEPTEMBER 2013
For Period Ended September 28, 2013

October 14, 2013
### SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
#### REGIONAL RAIL DIVISION
#### DETAIL INCOME STATEMENT
#### THREE MONTH ENDED SEPTEMBER 28, 2013

**(THOUSANDS)**

<table>
<thead>
<tr>
<th>LAST YEAR</th>
<th>THIS YEAR ACTUAL</th>
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<tbody>
<tr>
<td>AMOUNT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>$33,259</td>
<td>$2,798</td>
</tr>
<tr>
<td>163</td>
<td>(61)</td>
</tr>
<tr>
<td>3,223</td>
<td>(139)</td>
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<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>36,645</strong></td>
<td><strong>2,598</strong></td>
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**OPERATING REVENUES**

<table>
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<tr>
<th></th>
<th>THIS YEAR</th>
<th>THIS YEAR ACTUAL</th>
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<tbody>
<tr>
<td></td>
<td>AMOUNT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>Passenger Revenue</td>
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<td>$36,057</td>
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<tr>
<td></td>
<td>139</td>
<td>102</td>
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<tr>
<td>Investment Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>3,665</td>
<td>3,084</td>
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<tr>
<td><strong>TOTAL REVENUE AVAILABLE FOR OPERATIONS</strong></td>
<td><strong>38,344</strong></td>
<td><strong>39,243</strong></td>
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<table>
<thead>
<tr>
<th></th>
<th>OPERATING EXPENSES</th>
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</thead>
<tbody>
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<td></td>
<td>AMOUNT</td>
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<tr>
<td>Labor &amp; Fringe Benefits</td>
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<tr>
<td>Material &amp; Services</td>
<td>20,004</td>
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<tr>
<td>Injuries &amp; Damages</td>
<td>1,217</td>
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<td>Propulsion Power</td>
<td>4,796</td>
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<tr>
<td>Fixed Rent</td>
<td>146</td>
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<td>Fuel</td>
<td>178</td>
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<tr>
<td>Depreciation</td>
<td>2,722</td>
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<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td><strong>74,962</strong></td>
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**DEFICIT BEFORE SUBSIDIES**

|                  | (36,618) | (34,309) | 2,309 | 6.31 |

**OPERATING SUBSIDIES**

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<thead>
<tr>
<th></th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Federal</td>
<td>1,307</td>
</tr>
<tr>
<td>State</td>
<td>19,111</td>
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<tr>
<td>Local</td>
<td>2,867</td>
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<tr>
<td>Lease Cost/Debt Service</td>
<td>13,102</td>
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<tr>
<td>Other - Route Guarantees</td>
<td>231</td>
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<tr>
<td><strong>TOTAL OPERATING SUBSIDIES</strong></td>
<td><strong>36,618</strong></td>
</tr>
</tbody>
</table>

**SURPLUS/(DEFICIT) AFTER SUBSIDIES**

|                  | (185) |

- Unrealized Investment Gain/(Loss)

|                  | (23) |

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)**

|                  | $208 |

10/11/2013
FINANCIAL REPORT - SEPTEMBER 2013

COMMENTARY

Summary of Financial Results and Commentary

GROUP 1 - CONSOLIDATED OPERATIONS

(1.1) Consolidating Statement of Income - (YTD)
(1.2) Consolidating Statement of Revenue and Expense - (YTD)
(1.3) Consolidating Statement of Income - (One Month)
(1.4) Consolidating Statement of Revenue and Expense - (One Month)

GROUP 2 - CITY TRANSIT DIVISION

(2.1) Comparative Statement of Income
(2.2) Detail Income Statement - (One Month)
(2.3) Detail Income Statement - (YTD)

GROUP 3 - VICTORY DIVISION

(3.1) Comparative Statement of Income
(3.2) Detail Income Statement - (One Month)
(3.3) Detail Income Statement - (YTD)

GROUP 4 - FRONTIER DIVISION

(4.1) Comparative Statement of Income
(4.2) Detail Income Statement - (One Month)
(4.3) Detail Income Statement - (YTD)

GROUP 5 - REGIONAL RAIL DIVISION

(5.1) Comparative Statement of Income
(5.2) Detail Income Statement - (One Month)
(5.3) Detail Income Statement - (YTD)
FINANCIAL REPORT - SEPTEMBER 2013

COMMENTARY

Summary of Financial Results and Commentary
SUMMARY

The following is a summary of Divisional operating results (i.e. deficit before operating subsidies) and consolidated results after subsidies for September 2013 and the three-month period then ended. The results are compared to the Fiscal Year 2014 budget and to the prior year results in the accompanying financial statements.

<table>
<thead>
<tr>
<th>DIVISION</th>
<th>MONTH OF SEPTEMBER</th>
<th>THREE MONTHS ENDED SEPTEMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2012</td>
</tr>
<tr>
<td>City Transit</td>
<td>$ (38,277)</td>
<td>$ (40,328)</td>
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<tr>
<td>Victory</td>
<td>(4,931)</td>
<td>(5,026)</td>
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<tr>
<td>Frontier</td>
<td>(1,936)</td>
<td>(2,011)</td>
</tr>
<tr>
<td>Regional Rail</td>
<td>(9,621)</td>
<td>(10,914)</td>
</tr>
<tr>
<td>Total Deficit Before Subsidies</td>
<td>(54,765)</td>
<td>(58,279)</td>
</tr>
<tr>
<td>Operating Subsidies</td>
<td>55,207</td>
<td>58,471</td>
</tr>
<tr>
<td>Surplus/(Deficit) After Subsidies</td>
<td>442</td>
<td>192</td>
</tr>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>(97)</td>
<td>-</td>
</tr>
<tr>
<td>Surplus/(Deficit) After Investment Gain/Loss</td>
<td>$ 345</td>
<td>$ 192</td>
</tr>
</tbody>
</table>

The surplus after subsidies for the month of September was $442 thousand and the cumulative deficit for the three months was $1.6 million. Passenger revenue for the month was $493 thousand (or 1.3%) worse than budget. Passenger revenue for the three months of Fiscal 2014 was $2.7 million (or 2.5%) worse than budget. Shared Ride Program revenue was $11 thousand better than budget for the month of September and was $104 thousand (or 2.3%) better than budget for September year-to-date. Operating expenses for the month of September were $1.1 million better than budget. For the three-month period, operating expenses were $2.0 million (or 0.7%) better than budget.
CITY TRANSIT DIVISION

The Division's operations for September 2013 resulted in a deficit before subsidies of $38.3 million for the month and a year-to-date deficit before subsidies of $129.9 million, which is 2.8% worse than budget.

Passenger revenue for the month of September was $982 thousand (or 4.2%) worse than budget. For the three months of Fiscal 2014 total passenger revenue was $4.5 million (or 6.4%) worse than budget. Shared Ride Program revenue for September year-to-date was $104 thousand (or 2.3%) better than budget. Operating expenses for the three-month period were better than budget.

For the first three months of the fiscal year, the operating deficit after subsidies was $1.2 million.

VICTORY DIVISION

The Division's operations for September resulted in a deficit before subsidies of $4.9 million bringing the cumulative deficit before subsidies for the three months of the fiscal year to $16.7 million, which is 2.9% worse than budget.

Passenger revenue for September was $176 thousand (or 9.8%) better than budget and for the three months of Fiscal 2014 was $54 thousand (or 1.0%) better than budget. Operating expenses for the three-month period were worse than budget.

For the first three months of the fiscal year, the operating deficit after subsidies was $166 thousand.
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
SEPTEMBER AND YEAR-TO-DATE RESULTS OF OPERATIONS

FRONTIER DIVISION
Operations for the month of September resulted in a deficit before subsidies of $1.9 million bringing the cumulative deficit before subsidies for the three months of the fiscal year to $6.3 million, which is 3.4% better than budget.

Passenger revenue for September was $50 thousand (or 10.1%) better than budget and for the three months of Fiscal 2014 was $175 thousand (or 11.3%) better than budget. Operating expenses for the three-month period were better than budget.

For the first three months of the fiscal year, the operating deficit after subsidies was $62 thousand.

REGIONAL RAIL DIVISION
Operations for the month of September resulted in a deficit before subsidies of $9.6 million bringing the cumulative deficit before subsidies for the three-month period to $34.3 million, which is 6.3% better than budget.

September passenger revenue was $263 thousand (or 2.2%) better than budget and year-to-date passenger revenue was $1.5 million (or 4.4%) better than budget. Operating expenses for the three-month period were better than budget.

For the first three months of the fiscal year, the operating deficit after subsidies was $208 thousand.
FINANCIAL REPORT - SEPTEMBER 2013

GROUP 1 - CONSOLIDATED OPERATIONS

(1.1) Consolidating Statement of Income - (YTD)
(1.2) Consolidating Statement of Revenue and Expense - (YTD)
(1.3) Consolidating Statement of Income - (One Month)
(1.4) Consolidating Statement of Revenue and Expense - (One Month)
**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**

**CONSOLIDATING STATEMENT OF INCOME**

**THREE MONTHS ENDED SEPTEMBER 28, 2013**

<table>
<thead>
<tr>
<th></th>
<th>CITY TRANSIT DIVISION</th>
<th>VICTORY DIVISION</th>
<th>FRONTIER DIVISION</th>
<th>REGIONAL RAIL DIVISION</th>
<th>TOTAL SEPTA</th>
<th>BUDGET AMOUNT</th>
<th>BUDGET VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>$ 65,386</td>
<td>$ 5,532</td>
<td>$ 1,721</td>
<td>$ 36,057</td>
<td>$ 108,696</td>
<td>$ 111,430</td>
<td>$ (2,734)</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>4,511</td>
<td>596</td>
<td>148</td>
<td>3,186</td>
<td>8,441</td>
<td>9,318</td>
<td>(877) (9.41)</td>
</tr>
<tr>
<td><strong>Sub-Total - Operating Revenue</strong></td>
<td>69,897</td>
<td>6,128</td>
<td>1,869</td>
<td>39,243</td>
<td>117,137</td>
<td>120,748</td>
<td>(3,611) (2.99)</td>
</tr>
<tr>
<td>Shared Ride Program</td>
<td>4,705</td>
<td></td>
<td></td>
<td></td>
<td>4,705</td>
<td>4,601</td>
<td>104 (2.66)</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE AVAILABLE FOR OPERATIONS</strong></td>
<td>74,602</td>
<td>6,128</td>
<td>1,869</td>
<td>39,243</td>
<td>121,842</td>
<td>125,349</td>
<td>(3,507) (2.80)</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td>204,466</td>
<td>22,821</td>
<td>8,218</td>
<td>73,552</td>
<td>309,057</td>
<td>311,069</td>
<td>2,012 (0.65)</td>
</tr>
<tr>
<td><strong>DEFICIT BEFORE SUBSIDIES</strong></td>
<td>(129,844)</td>
<td>(16,693)</td>
<td>(6,349)</td>
<td>(34,309)</td>
<td>(187,215)</td>
<td>(185,720)</td>
<td>(1,495) (0.80)</td>
</tr>
<tr>
<td><strong>OPERATING SUBSIDIES</strong></td>
<td>128,715</td>
<td>16,534</td>
<td>6,289</td>
<td>34,124</td>
<td>185,662</td>
<td>185,720</td>
<td>(58) (0.03)</td>
</tr>
<tr>
<td><strong>DEFICIT AFTER SUBSIDIES</strong></td>
<td>$ (1,149)</td>
<td>$ (159)</td>
<td>$ (60)</td>
<td>$ (185)</td>
<td>$ (1,553)</td>
<td>$ (1,553)</td>
<td></td>
</tr>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>(65)</td>
<td>(7)</td>
<td>(2)</td>
<td>(23)</td>
<td>(97)</td>
<td>(97)</td>
<td></td>
</tr>
<tr>
<td><strong>DEFICIT AFTER INVESTMENT GAIN/(LOSS)</strong></td>
<td>$ (1,214)</td>
<td>$ (166)</td>
<td>$ (62)</td>
<td>$ (208)</td>
<td>$ (1,650)</td>
<td>$ (1,650)</td>
<td></td>
</tr>
</tbody>
</table>
## SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
### CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES
#### THREE MONTHS ENDED SEPTEMBER 28, 2013

<table>
<thead>
<tr>
<th></th>
<th>CITY TRANSIT DIVISION</th>
<th>VICTORY DIVISION</th>
<th>FRONTIER DIVISION</th>
<th>REGIONAL RAIL DIVISION</th>
<th>TOTAL SEPTA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td><strong>Budget</strong></td>
<td><strong>Actual</strong></td>
<td><strong>Budget</strong></td>
<td><strong>Actual</strong></td>
<td><strong>Budget</strong></td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>$69,866</td>
<td>$65,386</td>
<td>$5,478</td>
<td>$5,532</td>
<td>$1,546</td>
</tr>
<tr>
<td>Shared Ride Program</td>
<td>4,601</td>
<td>4,705</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment Income</td>
<td>104</td>
<td>102</td>
<td>5</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Other Income</td>
<td>4,667</td>
<td>4,409</td>
<td>574</td>
<td>588</td>
<td>162</td>
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<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>79,238</strong></td>
<td><strong>74,602</strong></td>
<td><strong>6,057</strong></td>
<td><strong>6,128</strong></td>
<td><strong>1,710</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Operating Expenses</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor, including Paid Absences</td>
<td>93,288</td>
<td>91,814</td>
<td>9,904</td>
<td>10,440</td>
<td>4,148</td>
<td>4,012</td>
<td>28,321</td>
<td>28,328</td>
<td>135,661</td>
<td>134,594</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>58,080</td>
<td>56,320</td>
<td>5,705</td>
<td>5,646</td>
<td>1,977</td>
<td>2,072</td>
<td>17,578</td>
<td>17,457</td>
<td>83,340</td>
<td>81,495</td>
</tr>
<tr>
<td>Material &amp; Services</td>
<td>29,076</td>
<td>31,550</td>
<td>4,114</td>
<td>4,120</td>
<td>890</td>
<td>838</td>
<td>20,004</td>
<td>19,138</td>
<td>54,104</td>
<td>56,646</td>
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<tr>
<td>Injuries &amp; Damages</td>
<td>8,426</td>
<td>8,426</td>
<td>845</td>
<td>845</td>
<td>325</td>
<td>325</td>
<td>1,217</td>
<td>1,217</td>
<td>10,813</td>
<td>10,813</td>
</tr>
<tr>
<td>Propulsion Power</td>
<td>3,655</td>
<td>3,575</td>
<td>322</td>
<td>319</td>
<td>-</td>
<td>-</td>
<td>4,796</td>
<td>4,638</td>
<td>8,783</td>
<td>8,532</td>
</tr>
<tr>
<td>Fixed Rent</td>
<td>504</td>
<td>483</td>
<td>29</td>
<td>27</td>
<td>11</td>
<td>10</td>
<td>146</td>
<td>131</td>
<td>690</td>
<td>651</td>
</tr>
<tr>
<td>Fuel</td>
<td>9,354</td>
<td>9,207</td>
<td>1,316</td>
<td>1,377</td>
<td>916</td>
<td>949</td>
<td>178</td>
<td>159</td>
<td>11,764</td>
<td>11,692</td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,130</td>
<td>3,091</td>
<td>49</td>
<td>47</td>
<td>13</td>
<td>12</td>
<td>2,722</td>
<td>2,484</td>
<td>5,914</td>
<td>5,634</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>205,543</strong></td>
<td><strong>204,466</strong></td>
<td><strong>22,284</strong></td>
<td><strong>22,821</strong></td>
<td><strong>8,280</strong></td>
<td><strong>8,218</strong></td>
<td><strong>74,962</strong></td>
<td><strong>73,552</strong></td>
<td><strong>311,069</strong></td>
<td><strong>309,057</strong></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th><strong>Operating Subsidies</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Actual</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>6,679</td>
<td>6,819</td>
<td>909</td>
<td>926</td>
<td>361</td>
<td>344</td>
<td>1,307</td>
<td>1,167</td>
<td>9,256</td>
<td>9,256</td>
</tr>
<tr>
<td>State</td>
<td>97,685</td>
<td>99,704</td>
<td>13,292</td>
<td>13,544</td>
<td>5,265</td>
<td>5,036</td>
<td>19,111</td>
<td>17,069</td>
<td>135,353</td>
<td>135,353</td>
</tr>
<tr>
<td>Local</td>
<td>14,653</td>
<td>14,955</td>
<td>1,994</td>
<td>2,032</td>
<td>789</td>
<td>755</td>
<td>2,867</td>
<td>2,561</td>
<td>20,303</td>
<td>20,303</td>
</tr>
<tr>
<td>Lease Cost/Debt Service</td>
<td>6,951</td>
<td>6,951</td>
<td>32</td>
<td>32</td>
<td>9</td>
<td>9</td>
<td>13,102</td>
<td>13,102</td>
<td>20,094</td>
<td>20,094</td>
</tr>
<tr>
<td>Other-Route Guarantees</td>
<td>337</td>
<td>286</td>
<td>-</td>
<td>-</td>
<td>146</td>
<td>145</td>
<td>231</td>
<td>225</td>
<td>714</td>
<td>656</td>
</tr>
<tr>
<td><strong>Total Subsidies</strong></td>
<td><strong>126,305</strong></td>
<td><strong>128,715</strong></td>
<td><strong>16,227</strong></td>
<td><strong>16,534</strong></td>
<td><strong>6,570</strong></td>
<td><strong>6,289</strong></td>
<td><strong>36,618</strong></td>
<td><strong>34,124</strong></td>
<td><strong>185,720</strong></td>
<td><strong>185,662</strong></td>
</tr>
</tbody>
</table>

| **Deficit After Subsidies** | **$** | **$** | **$** | **(1,149)** | **$** | **$** | **(159)** | **$** | **$** | **(60)** | **$** | **$** | **(185)** | **$** | **$** | **(1,553)** |

| Unrealized Investment Gain/(Loss) | **$** | **$** | **(65)** | **(7)** | **$** | **(2)** | **$** | **(23)** | **$** | **(97)** |

| **Deficit After Investment Gain/(Loss)** | **$** | **$** | **(1,214)** | **$** | **$** | **(166)** | **$** | **$** | **(42)** | **$** | **$** | **(208)** | **$** | **$** | **(1,650)** |

Page 1.2
10/10/13
### SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY  
**CONSOLIDATING STATEMENT OF INCOME**  
**ONE MONTH ENDED SEPTEMBER 28, 2013**

<table>
<thead>
<tr>
<th>(THOUSANDS)</th>
<th>CITY TRANSIT DIVISION</th>
<th>VICTORY DIVISION</th>
<th>FRONTIER DIVISION</th>
<th>REGIONAL RAIL DIVISION</th>
<th>TOTAL SEPTA</th>
<th>BUDGET AMOUNT</th>
<th>BUDGET VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>$ 22,527</td>
<td>$ 1,968</td>
<td>$ 544</td>
<td>$ 11,978</td>
<td>$ 37,017</td>
<td>$ 37,510</td>
<td>$ (493) (1.31)%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>1,815</td>
<td>287</td>
<td>52</td>
<td>1,106</td>
<td>3,260</td>
<td>3,459</td>
<td>(199) (5.75)%</td>
</tr>
<tr>
<td>Sub-Total - Operating Revenue</td>
<td>24,342</td>
<td>2,255</td>
<td>596</td>
<td>13,084</td>
<td>40,277</td>
<td>40,969</td>
<td>(692) (1.69)%</td>
</tr>
<tr>
<td>Shared Ride Program</td>
<td>1,495</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,495</td>
<td>1,484</td>
<td>11 (0.74)%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE AVAILABLE FOR OPERATIONS</strong></td>
<td>25,837</td>
<td>2,255</td>
<td>596</td>
<td>13,084</td>
<td>41,772</td>
<td>42,453</td>
<td>(681) (1.60)%</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td>64,114</td>
<td>7,186</td>
<td>2,532</td>
<td>22,705</td>
<td>96,537</td>
<td>97,667</td>
<td>1,130 (1.16)%</td>
</tr>
<tr>
<td><strong>DEFICIT BEFORE SUBSIDIES</strong></td>
<td>(38,277)</td>
<td>(4,931)</td>
<td>(1,936)</td>
<td>(9,621)</td>
<td>(54,765)</td>
<td>(55,214)</td>
<td>449 (0.81)%</td>
</tr>
<tr>
<td><strong>OPERATING SUBSIDIES</strong></td>
<td>38,593</td>
<td>4,971</td>
<td>1,949</td>
<td>9,694</td>
<td>55,207</td>
<td>55,214</td>
<td>(7) (0.01)%</td>
</tr>
<tr>
<td><strong>SURPLUS AFTER SUBSIDIES</strong></td>
<td>$ 316</td>
<td>$ 40</td>
<td>$ 13</td>
<td>$ 73</td>
<td>$ 442</td>
<td>$ -</td>
<td>$ 442</td>
</tr>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>(65)</td>
<td>(7)</td>
<td>(2)</td>
<td>(23)</td>
<td>(97)</td>
<td>-</td>
<td>(97)</td>
</tr>
<tr>
<td><strong>SURPLUS AFTER INVESTMENT GAIN/(LOSS)</strong></td>
<td>$ 251</td>
<td>$ 33</td>
<td>$ 11</td>
<td>$ 50</td>
<td>$ 345</td>
<td>$ -</td>
<td>$ 345</td>
</tr>
</tbody>
</table>
# Consolidating Statement of Revenues and Expenses

**SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY**

**CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES**

**ONE MONTH ENDED SEPTEMBER 28, 2013**

(THOUSANDS)

<table>
<thead>
<tr>
<th></th>
<th>CITY TRANSIT DIVISION</th>
<th>VICTORY DIVISION</th>
<th>FRONTIER DIVISION</th>
<th>REGIONAL RAIL DIVISION</th>
<th>TOTAL SEPTA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td>BUDGET</td>
<td>ACTUAL</td>
<td>BUDGET</td>
<td>ACTUAL</td>
<td>BUDGET</td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>$23,509</td>
<td>$22,527</td>
<td>$1,792</td>
<td>$1,968</td>
<td>$494</td>
</tr>
<tr>
<td>Shared Ride Program</td>
<td>1,484</td>
<td>1,495</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment Income</td>
<td>35</td>
<td>30</td>
<td>1</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,837</td>
<td>1,785</td>
<td>264</td>
<td>284</td>
<td>54</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUE</strong></td>
<td>26,865</td>
<td>25,837</td>
<td>2,057</td>
<td>2,255</td>
<td>548</td>
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</table>

**OPERATING EXPENSES**

<table>
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<tr>
<th></th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor, Including Paid Absences</td>
<td>28,912</td>
<td>28,152</td>
<td>2,972</td>
<td>3,234</td>
<td>1,266</td>
<td>1,232</td>
<td>8,660</td>
<td>8,750</td>
<td>41,810</td>
<td>41,368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>18,794</td>
<td>18,737</td>
<td>1,866</td>
<td>1,849</td>
<td>648</td>
<td>660</td>
<td>5,261</td>
<td>4,940</td>
<td>26,569</td>
<td>26,206</td>
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<td></td>
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<tr>
<td>Material &amp; Services</td>
<td>9,016</td>
<td>9,342</td>
<td>1,346</td>
<td>1,291</td>
<td>277</td>
<td>233</td>
<td>6,840</td>
<td>6,246</td>
<td>17,479</td>
<td>17,112</td>
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<td></td>
</tr>
<tr>
<td>Injuries &amp; Damages</td>
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<td>2,589</td>
<td>259</td>
<td>259</td>
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<td>99</td>
<td>376</td>
<td>376</td>
<td>3,323</td>
<td>3,323</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Propulsion Power</td>
<td>1,176</td>
<td>1,182</td>
<td>107</td>
<td>104</td>
<td>-</td>
<td>-</td>
<td>1,465</td>
<td>1,459</td>
<td>2,748</td>
<td>2,745</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Rent</td>
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<td>167</td>
<td>9</td>
<td>10</td>
<td>3</td>
<td>3</td>
<td>49</td>
<td>48</td>
<td>227</td>
<td>228</td>
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<tr>
<td>Fuel</td>
<td>2,793</td>
<td>2,912</td>
<td>411</td>
<td>424</td>
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<td>281</td>
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<td>55</td>
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<tr>
<td>Depreciation</td>
<td>1,044</td>
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<td>17</td>
<td>15</td>
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<td>4</td>
<td>907</td>
<td>831</td>
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<td>1,883</td>
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<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>64,490</td>
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<td>6,987</td>
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<td>2,577</td>
<td>2,532</td>
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<td>97,667</td>
<td>96,537</td>
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</table>

**DEFICIT BEFORE SUBSIDIES**

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
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<tbody>
<tr>
<td></td>
<td>(37,625)</td>
<td>(38,277)</td>
<td>(4,930)</td>
<td>(4,931)</td>
<td>(2,029)</td>
<td>(2,136)</td>
<td>(10,630)</td>
<td>(9,621)</td>
<td>(55,214)</td>
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**OPERATING SUBSIDIES**

<table>
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<tr>
<th></th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>ACTUAL</th>
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<th>BUDGET</th>
<th>ACTUAL</th>
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<tbody>
<tr>
<td>Federal</td>
<td>1,990</td>
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<td>279</td>
<td>112</td>
<td>106</td>
<td>374</td>
<td>320</td>
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<td>State</td>
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<td>29,888</td>
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<td>4,072</td>
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<td>1,559</td>
<td>5,464</td>
<td>4,698</td>
<td>40,217</td>
<td>40,217</td>
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<tr>
<td>Local</td>
<td>4,364</td>
<td>4,483</td>
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<td>611</td>
<td>243</td>
<td>233</td>
<td>820</td>
<td>706</td>
<td>6,033</td>
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<tr>
<td>Lease Cost/Debt Service</td>
<td>2,067</td>
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<td>Other-Route Guarantees</td>
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<td>75</td>
<td>238</td>
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<td>4,930</td>
<td>4,971</td>
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<td>10,630</td>
<td>9,694</td>
<td>55,214</td>
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**SURPLUS AFTER SUBSIDIES**

<table>
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<tr>
<th></th>
<th>BUDGET</th>
<th>ACTUAL</th>
<th>BUDGET</th>
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<tr>
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<td>$73</td>
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<td>$442</td>
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<td>Unrealized Investment Gain/(Loss)</td>
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<td>-</td>
<td>(65)</td>
<td>-</td>
<td>(7)</td>
<td>(2)</td>
<td>-</td>
<td>(23)</td>
<td>-</td>
<td>(97)</td>
<td>-</td>
<td></td>
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<tr>
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<td>$ -</td>
<td>$251</td>
<td>$ -</td>
<td>$33</td>
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<td>$11</td>
<td>$ -</td>
<td>$50</td>
<td>$ -</td>
<td>$345</td>
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</table>
FINANCIAL REPORT - SEPTEMBER 2013

GROUP 2 - CITY TRANSIT DIVISION

(2.1) Comparative Statement of Income
(2.2) Detail Income Statement - (One Month)
(2.3) Detail Income Statement - (YTD)
## SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

### CITY TRANSIT DIVISION

### COMPARATIVE STATEMENT OF INCOME

**PERIOD ENDED SEPTEMBER 28, 2013**

*(THOUSANDS)*

### ONE MONTH ENDED SEPTEMBER 28, 2013

<table>
<thead>
<tr>
<th></th>
<th>THIS YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
<th>LAST YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET AMOUNT</td>
<td>$ 23,509</td>
<td>$ 22,527</td>
<td>(4.16)</td>
<td>$ 21,426</td>
<td>$ 18,490</td>
<td>5.14</td>
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<tr>
<td>ACTUAL AMOUNT</td>
<td>1,872</td>
<td>1,815</td>
<td>(3.04)</td>
<td>1,381</td>
<td>1,319</td>
<td>5.43</td>
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<tr>
<td>ACTUAL AMOUNT/</td>
<td>25,381</td>
<td>24,342</td>
<td>(4.09)</td>
<td>22,807</td>
<td>21,809</td>
<td>4.67</td>
</tr>
<tr>
<td>(WORSE)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUDGET %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAST YEAR %</td>
<td></td>
<td></td>
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</table>

**OPERATING REVENUES**

<table>
<thead>
<tr>
<th></th>
<th>THIS YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
<th>LAST YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Revenue</td>
<td>$ 69,866</td>
<td>$ 65,386</td>
<td>(6.41)</td>
<td>$ 63,809</td>
<td>$ 62,067</td>
<td>2.79</td>
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<td>Other Operating Revenue</td>
<td>4,771</td>
<td>4,511</td>
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<td>4,250</td>
<td>4,161</td>
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<tr>
<td>Sub-Total - Operating Revenue</td>
<td>74,637</td>
<td>69,897</td>
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<td>67,859</td>
<td>66,228</td>
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<tr>
<td>Shared Ride Program</td>
<td>4,601</td>
<td>4,705</td>
<td>2.26</td>
<td>4,574</td>
<td>4,574</td>
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</tr>
<tr>
<td>TOTAL REVENUE AVAILABLE FOR OPERATIONS</td>
<td>$ 79,238</td>
<td>$ 74,602</td>
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<td>$ 72,433</td>
<td>$ 70,801</td>
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### THREE MONTHS ENDED SEPTEMBER 28, 2013

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<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
<th>LAST YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGET AMOUNT</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACTUAL AMOUNT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACTUAL AMOUNT/</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(WORSE)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>BUDGET %</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAST YEAR %</td>
<td></td>
<td></td>
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</table>

**OPERATING EXPENSES**

<table>
<thead>
<tr>
<th></th>
<th>THIS YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
<th>LAST YEAR</th>
<th>ACTUAL AMOUNT</th>
<th>CHANGE %</th>
</tr>
</thead>
<tbody>
<tr>
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<td>204,466</td>
<td>0.52</td>
<td>205,546</td>
<td>195,789</td>
<td>4.88</td>
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<td>(126,305)</td>
<td>(126,305)</td>
<td>(126,305)</td>
<td>(2.62)</td>
<td>(133,133)</td>
<td>(126,300)</td>
<td>(7.59)</td>
</tr>
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<td>1.91</td>
<td>133,491</td>
<td>126,894</td>
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<td>-</td>
<td>358</td>
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<td>-</td>
</tr>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>-</td>
<td>(65)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>4,968</td>
<td>4,966</td>
<td>1.43</td>
<td>4,962</td>
<td>4,962</td>
<td>(0.32)</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>466</td>
<td>476</td>
<td>2.15</td>
<td>465</td>
<td>465</td>
<td>2.37</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>15,223</td>
<td>14,913</td>
<td>(2.04)</td>
<td>15,272</td>
<td>15,272</td>
<td>(2.35)</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>60</td>
<td>62</td>
<td>3.33</td>
<td>61</td>
<td>61</td>
<td>1.64</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>$ 4,968</td>
<td>$ 4,966</td>
<td>1.43</td>
<td>$ 4,962</td>
<td>$ 4,962</td>
<td>(0.32)</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>466</td>
<td>476</td>
<td>2.15</td>
<td>465</td>
<td>465</td>
<td>2.37</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>15,223</td>
<td>14,913</td>
<td>(2.04)</td>
<td>15,272</td>
<td>15,272</td>
<td>(2.35)</td>
</tr>
<tr>
<td>TOTAL VEHICLE MILES</td>
<td>60</td>
<td>62</td>
<td>3.33</td>
<td>61</td>
<td>61</td>
<td>1.64</td>
</tr>
</tbody>
</table>

4,968 4,966 1.43 4,962 (0.32) 15,504 15,584 0.52 15,354 0.32
466 476 2.15 465 2.37 1,439 1,433 (0.42) 1,435 (0.14)
15,223 14,913 (2.04) 15,272 (2.35) 45,747 44,181 (3.42) 44,719 (1.20)
60 62 3.33 61 1.64 187 197 5.35 199 4.23

Page 21
10/11/2013
# SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
## CITY TRANSIT DIVISION
### DETAIL INCOME STATEMENT
#### ONE MONTH ENDED SEPTEMBER 28, 2013

**THOUSANDS**

<table>
<thead>
<tr>
<th>LAST YEAR AMOUNT</th>
<th>THIS YEAR ACTUAL</th>
<th>BUDGET AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>$21,426</td>
<td>$1,101</td>
<td>$23,509</td>
<td>$22,527</td>
<td>$(982)  (4.15)</td>
</tr>
<tr>
<td>32</td>
<td>(2)</td>
<td>35</td>
<td>30</td>
<td>(5)  (14.29)</td>
</tr>
<tr>
<td>1,349</td>
<td>436</td>
<td>1,937</td>
<td>1,785</td>
<td>(182)  (2.83)</td>
</tr>
<tr>
<td>22,807</td>
<td>1,535</td>
<td>25,381</td>
<td>24,342</td>
<td>(1,035)  (4.09)</td>
</tr>
<tr>
<td>1,438</td>
<td>57</td>
<td>1,484</td>
<td>1,495</td>
<td>11  0.74</td>
</tr>
<tr>
<td>24,245</td>
<td>1,592</td>
<td>26,865</td>
<td>25,837</td>
<td>(1,028)  (3.83)</td>
</tr>
</tbody>
</table>

**OPERATING REVENUES**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Passenger Revenue</td>
<td>$23,509</td>
<td>$22,527</td>
<td>$(982)  (4.15)</td>
</tr>
<tr>
<td>Investment Income</td>
<td>35</td>
<td>30</td>
<td>(5)  (14.29)</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,937</td>
<td>1,785</td>
<td>(182)  (2.83)</td>
</tr>
<tr>
<td><strong>SUB-TOTAL</strong></td>
<td><strong>25,381</strong></td>
<td><strong>24,342</strong></td>
<td><strong>(1,035)</strong>  (4.09)</td>
</tr>
<tr>
<td>Shared Ride Program</td>
<td>1,484</td>
<td>1,495</td>
<td>11  0.74</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE AVAILABLE FOR OPERATIONS</strong></td>
<td><strong>26,865</strong></td>
<td><strong>25,837</strong></td>
<td><strong>(1,028)</strong>  (3.83)</td>
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**OPERATING EXPENSES**

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<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Labor &amp; Fringe Benefits</td>
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<td>46,889</td>
<td>817</td>
</tr>
<tr>
<td>Material &amp; Services</td>
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<td>9,342</td>
<td>(326)  (3.62)</td>
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<tr>
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<td>2,589</td>
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<td>Propulsion Power</td>
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<td>1,182</td>
<td>(6)  (0.51)</td>
</tr>
<tr>
<td>Fixed Rent</td>
<td>160</td>
<td>167</td>
<td>(7)  (0.43)</td>
</tr>
<tr>
<td>Fuel</td>
<td>2,793</td>
<td>2,812</td>
<td>(19)  (0.62)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,044</td>
<td>1,035</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td><strong>64,490</strong></td>
<td><strong>64,114</strong></td>
<td><strong>376</strong>  0.58</td>
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**DEFICIT BEFORE SUBSIDIES**

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<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(37,625)</td>
<td>(36,277)</td>
<td>(852)  (1.73)</td>
</tr>
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</table>

**OPERATING SUBSIDIES**

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<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Federal</td>
<td>1,990</td>
<td>2,047</td>
<td>57</td>
</tr>
<tr>
<td>State</td>
<td>29,092</td>
<td>29,888</td>
<td>796</td>
</tr>
<tr>
<td>Local</td>
<td>4,364</td>
<td>4,483</td>
<td>119</td>
</tr>
<tr>
<td>Lease Cost/Debt Service</td>
<td>2,067</td>
<td>2,067</td>
<td>-</td>
</tr>
<tr>
<td>Other - Route Guarantees</td>
<td>112</td>
<td>108</td>
<td>(4)  (3.57)</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING SUBSIDIES</strong></td>
<td><strong>37,625</strong></td>
<td><strong>38,593</strong></td>
<td><strong>968</strong>  2.57</td>
</tr>
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**SURPLUS/(DEFICIT) AFTER SUBSIDIES**

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<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
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<td>316</td>
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</table>

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/LOSS**

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<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td></td>
<td>(65)</td>
<td>(65)</td>
</tr>
<tr>
<td></td>
<td>LAST YEAR</td>
<td>THIS YEAR ACTUAL</td>
<td>OPERATING REVENUES</td>
</tr>
<tr>
<td>----------------------</td>
<td>-----------</td>
<td>------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td></td>
<td>AMOUNT</td>
<td>AMOUNT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>91</td>
<td>1,777</td>
<td>2.79</td>
</tr>
<tr>
<td>Investment Income</td>
<td>11</td>
<td>12.09</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>250</td>
<td>6.01</td>
<td></td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>2,038</td>
<td>3.00</td>
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</tr>
<tr>
<td>Shared Ride Program</td>
<td>4,601</td>
<td>2,86</td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUE AVAILABLE FOR OPERATIONS</td>
<td>72,433</td>
<td>2,169</td>
<td>2.99</td>
</tr>
</tbody>
</table>

|                      | 146,182   | (1,952)          | (1.34)             | 151,368 | 148,134 | 3,234 (2.14)          |
|                      | 30,781    | (769)            | (2.50)             | 29,096  | 31,750  | (2,654) (8.43)        |
|                      | 11,493    | 3,067            | 26.69              | 8,426   | 8,426   | -                      |
|                      | 3,709     | 134              | 3.61               | 3,665   | 3,575   | 90 (2.46)             |
|                      | 426       | (57)             | (13.38)            | 504     | 483     | 21 (4.17)             |
|                      | 9,909     | 702              | 7.08               | 9,354   | 9,207   | 147 (1.57)            |
|                      | 3,066     | (25)             | (0.82)             | 3,130   | 3,091   | 39 (1.25)             |
| TOTAL OPERATING EXPENSES | 205,666 | 1,100 | 0.54 | 204,466 | 1,077 | 0.52 |
|                      | (133,133) | 3,269            | 2.46               | (126,305) | (129,864) | (3,559) (2.82) |

|                      | 6,544     | 275              | 4.20               | 6,679   | 6,819   | 140 (2.10)            |
|                      | 104,088   | (4,364)          | (4.19)             | 97,144  | 99,704  | 2,560 (2.07)          |
|                      | 15,611    | (856)            | (4.20)             | 14,555  | 14,555  | -                      |
|                      | 6,961     | (30)             | (0.43)             | 6,961   | 6,961   | -                      |
|                      | 287       | (1)              | (0.35)             | 337     | 286     | (51) (15.13)          |
| TOTAL OPERATING SUBSIDIES | 133,481 | (4,776) | (3.58) | 126,305 | 128,715 | 2,410 (1.91) |
|                      | 358       | (1,507)          | -                  | (1,149) | (1,149) | -                      |

| SURPLUS/(DEFICIT) AFTER SUBSIDIES | - | - | - |

| Unrealized Investment Gain/(Loss) | - | (65) | (65) |

| SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS) | $358 | $(1,572) | $1,214 | $(1,214) |
FINANCIAL REPORT - SEPTEMBER 2013

GROUP 3 - VICTORY DIVISION

(3.1) Comparative Statement of Income
(3.2) Detail Income Statement - (One Month)
(3.3) Detail Income Statement - (YTD)
<table>
<thead>
<tr>
<th></th>
<th>ONE MONTH ENDED SEPTEMBER 28, 2013</th>
<th>THREE MONTHS ENDED SEPTEMBER 28, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>THIS YEAR</td>
<td>LAST YEAR</td>
</tr>
<tr>
<td></td>
<td>BUDGET AMOUNT</td>
<td>ACTUAL AMOUNT</td>
</tr>
<tr>
<td></td>
<td>AMOUNT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td></td>
<td>OPERATING REVENUES</td>
<td></td>
</tr>
<tr>
<td>Passenger Revenue</td>
<td>$1,792</td>
<td>$1,958</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>265</td>
<td>287</td>
</tr>
<tr>
<td>TOTAL REVENUE AVAILABLE FOR OPERATIONS</td>
<td>2,057</td>
<td>2,255</td>
</tr>
<tr>
<td></td>
<td>$6,987</td>
<td>7,186</td>
</tr>
<tr>
<td></td>
<td>(4,930)</td>
<td>(4,931)</td>
</tr>
<tr>
<td></td>
<td>4,030</td>
<td>4,971</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(7)</td>
</tr>
<tr>
<td></td>
<td>$ -</td>
<td>$33</td>
</tr>
<tr>
<td></td>
<td>OPERATING EXPENSES</td>
<td></td>
</tr>
<tr>
<td></td>
<td>22,284</td>
<td>22,821</td>
</tr>
<tr>
<td></td>
<td>(16,227)</td>
<td>(16,693)</td>
</tr>
<tr>
<td></td>
<td>6,057</td>
<td>6,128</td>
</tr>
<tr>
<td></td>
<td>SURPLUS/(DEFICIT) AFTER SUBSIDIES</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(159)</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(7)</td>
</tr>
<tr>
<td></td>
<td>SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)</td>
<td>$ -</td>
</tr>
<tr>
<td></td>
<td>TOTAL VEHICLE MILES</td>
<td></td>
</tr>
<tr>
<td></td>
<td>880</td>
<td>883</td>
</tr>
<tr>
<td></td>
<td>2,788</td>
<td>2,810</td>
</tr>
<tr>
<td></td>
<td>REVENUE PASSENGER JOURNEYS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3,416</td>
<td>3,404</td>
</tr>
</tbody>
</table>
### SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
#### VICTORY DIVISION
#### DETAIL INCOME STATEMENT
#### ONE MONTH ENDED SEPTEMBER 28, 2013

(THOUSANDS)

<table>
<thead>
<tr>
<th>LAST YEAR</th>
<th>THIS YEAR ACTUAL</th>
<th>THIS YEAR</th>
<th>THIS YEAR ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNT</td>
<td>AMOUNT</td>
<td>AMOUNT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>1,739</td>
<td>$ 229</td>
<td>13.17</td>
<td>$ 1,792</td>
</tr>
<tr>
<td>3</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>170</td>
<td>114</td>
<td>67.06</td>
<td>264</td>
</tr>
<tr>
<td></td>
<td>343</td>
<td>17.94</td>
<td>2,057</td>
</tr>
<tr>
<td>1,912</td>
<td></td>
<td></td>
<td>2,255</td>
</tr>
</tbody>
</table>

### OPERATING REVENUES

- Passenger Revenue: $1,792, Actual: $1,068, Better (Worse) Budget: $176, 9.62%
- Investment Income: 1, Actual: 3, Better (Worse) Budget: 2
- Other Income: 264, Actual: 284, Better (Worse) Budget: 20, 7.58%

**TOTAL REVENUE AVAILABLE FOR OPERATIONS**: 2,057, Actual: 2,255, Better (Worse) Budget: 198, 9.63%

### OPERATING EXPENSES

- Labor & Fringe Benefits: 4,838, Actual: 5,083, Better (Worse) Budget: 245, 5.06%
- Material & Services: 1,346, Actual: 1,291, Better (Worse) Budget: 55, 4.09%
- Injuries & Damages: 259, Actual: 259, Better (Worse) Budget: -
- Propulsion Power: 107, Actual: 104, Better (Worse) Budget: 3, 2.80%
- Fixed Rent: 9, Actual: 10, Better (Worse) Budget: 1, 11.11%
- Fuel: 411, Actual: 424, Better (Worse) Budget: 13, 3.16%
- Depreciation: 17, Actual: 15, Better (Worse) Budget: 2, 11.76%

**TOTAL OPERATING EXPENSES**: 6,987, Actual: 7,156, Better (Worse) Budget: 199, 2.85%

**DEFICIT BEFORE SUBSIDIES**: (4,930), Actual: (4,931), Better (Worse) Budget: (1), 0.02%

### OPERATING SUBSIDIES

- Federal: 276, Actual: 279, Better (Worse) Budget: 3, 1.09%
- State: 4,039, Actual: 4,072, Better (Worse) Budget: 33, 0.82%
- Local: 606, Actual: 611, Better (Worse) Budget: 5, 0.83%
- Lease Cost/Debt Service: 9, Better (Worse) Budget: -
- Other - Route Guarantees: -

**TOTAL OPERATING SUBSIDIES**: 4,930, Actual: 4,871, Better (Worse) Budget: 41, 0.83%

**SURPLUS/(DEFICIT) AFTER SUBSIDIES**: -40, Actual: 40, Better (Worse) Budget: -

**Unrealized Investment Gain/(Loss)**: - (7), Actual: - (7)

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)**: $-19, Actual: $33, Better (Worse) Budget: $33
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
VICTORY DIVISION
DETAIL INCOME STATEMENT
THREE MONTHS ENDED SEPTEMBER 28, 2013
(THOUSANDS)

<table>
<thead>
<tr>
<th>LAST YEAR AMOUNT</th>
<th>BETTER (WORSE) LAST YEAR AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 5,242</td>
<td>$ 290</td>
<td>5.53</td>
</tr>
<tr>
<td>8</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>476</td>
<td>112</td>
<td>23.53</td>
</tr>
<tr>
<td><strong>5,726</strong></td>
<td><strong>402</strong></td>
<td><strong>7.02</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Revenue</td>
<td>$ 5,478</td>
<td>$ 5,532</td>
<td>$ 54</td>
<td>0.99</td>
<td></td>
</tr>
<tr>
<td>Investment Income</td>
<td>5</td>
<td>8</td>
<td>3</td>
<td>60.00</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>574</td>
<td>568</td>
<td>14</td>
<td>2.44</td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td><strong>6,057</strong></td>
<td><strong>6,128</strong></td>
<td>71</td>
<td>1.17</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor &amp; Fringe Benefits</td>
<td>15,609</td>
<td>16,086</td>
<td>(477)</td>
<td>(3.06)</td>
<td></td>
</tr>
<tr>
<td>Material &amp; Services</td>
<td>4,114</td>
<td>4,120</td>
<td>(6)</td>
<td>(0.15)</td>
<td></td>
</tr>
<tr>
<td>Injuries &amp; Damages</td>
<td>845</td>
<td>846</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Propulsion Power</td>
<td>322</td>
<td>319</td>
<td>3</td>
<td>0.93</td>
<td></td>
</tr>
<tr>
<td>Fixed Rent</td>
<td>29</td>
<td>27</td>
<td>2</td>
<td>6.90</td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td>1,316</td>
<td>1,377</td>
<td>(61)</td>
<td>(4.64)</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>49</td>
<td>47</td>
<td>2</td>
<td>4.08</td>
<td></td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENSES</td>
<td><strong>22,284</strong></td>
<td><strong>22,821</strong></td>
<td>(537)</td>
<td>(2.41)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DEFICIT BEFORE SUBSIDIES</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>(16,659)</td>
<td>(34)</td>
<td>(16,693)</td>
<td>(466)</td>
<td>(2.87)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING SUBSIDIES</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>909</td>
<td>926</td>
<td>17</td>
<td>1.87</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>13,292</td>
<td>13,544</td>
<td>252</td>
<td>1.90</td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td>1,994</td>
<td>2,032</td>
<td>38</td>
<td>1.91</td>
<td></td>
</tr>
<tr>
<td>Lease Cost/Debt Service</td>
<td>32</td>
<td>32</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other - Route Guarantees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>TOTAL OPERATING SUBSIDIES</td>
<td><strong>16,227</strong></td>
<td><strong>16,534</strong></td>
<td>307</td>
<td>1.89</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SURPLUS/(DEFICIT) AFTER SUBSIDIES</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>-</td>
<td>(159)</td>
<td>(159)</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)</th>
<th>THIS YEAR AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 48</td>
<td>$ (214)</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
### ONE MONTH ENDED SEPTEMBER 28, 2013

<table>
<thead>
<tr>
<th>BUDGET AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>ACTUAL BETTER/ (WORSE)</th>
<th>BUDGET %</th>
<th>ACTUAL AMOUNT</th>
<th>ACTUAL BETTER/ (WORSE)</th>
<th>ACTUAL LAST YEAR %</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 494</td>
<td>$ 544</td>
<td>10.12</td>
<td>$ 474</td>
<td>14.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>52</td>
<td>(3.70)</td>
<td>58</td>
<td>(10.34)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>548</td>
<td>596</td>
<td>8.76</td>
<td>532</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12.03</td>
</tr>
</tbody>
</table>

**TOTAL REVENUE AVAILABLE FOR OPERATIONS**

<table>
<thead>
<tr>
<th>THIS YEAR</th>
<th>LAST YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 2,677</td>
<td>$ (2,029)</td>
</tr>
<tr>
<td>2,532</td>
<td>(1,936)</td>
</tr>
<tr>
<td>1.75</td>
<td>4.58</td>
</tr>
<tr>
<td></td>
<td>(2.011)</td>
</tr>
<tr>
<td></td>
<td>3.73</td>
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**OPERATING EXPENSES**

<table>
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<tr>
<th>BUDGET AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>ACTUAL BETTER/ (WORSE)</th>
<th>BUDGET %</th>
<th>ACTUAL AMOUNT</th>
<th>ACTUAL BETTER/ (WORSE)</th>
<th>ACTUAL LAST YEAR %</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,280</td>
<td>5,218</td>
<td>0.75</td>
<td>8,026</td>
<td>(2.39)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5,570)</td>
<td>(5,349)</td>
<td>3.35</td>
<td>(6,421)</td>
<td>1.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,029</td>
<td>1,949</td>
<td>(3.94)</td>
<td>2,017</td>
<td>(3.37)</td>
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<td></td>
</tr>
</tbody>
</table>

**OPERATING SUBSIDIES**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SURPLUS/(DEFICIT) AFTER SUBSIDIES</td>
<td>(-50)</td>
</tr>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>(-2)</td>
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</table>

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/LOSS**

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<th>LAST YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ -</td>
<td>$ (62)</td>
</tr>
<tr>
<td>$ 6</td>
<td>$ 17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL VEHICLE MILES</th>
<th>REVENUE PASSENGER JOURNEYS</th>
</tr>
</thead>
<tbody>
<tr>
<td>397</td>
<td>285</td>
</tr>
<tr>
<td>411</td>
<td>285</td>
</tr>
<tr>
<td>3.53</td>
<td>0.00</td>
</tr>
<tr>
<td>392</td>
<td>287</td>
</tr>
<tr>
<td>4.85</td>
<td>(0.70)</td>
</tr>
</tbody>
</table>
### SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
### FRONTIER DIVISION
### DETAIL INCOME STATEMENT
### ONE MONTH ENDED SEPTEMBER 28, 2013

(THOUSANDS)

<table>
<thead>
<tr>
<th>LAST YEAR AMOUNT</th>
<th>BETTER (WORSE) LAST YEAR AMOUNT</th>
<th>%</th>
<th>THIS YEAR ACTUAL AMOUNT</th>
<th>BUDGET AMOUNT</th>
<th>ACTUAL AMOUNT</th>
<th>BETTER (WORSE) BUDGET AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 474</td>
<td>$ 70</td>
<td>14.77</td>
<td>$ 494</td>
<td>$ 544</td>
<td>$ 50</td>
<td>10.12</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>(2)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>(3)</td>
<td>(7.14)</td>
<td>54</td>
<td>52</td>
<td>(2)</td>
<td>(3.70)</td>
<td></td>
</tr>
<tr>
<td>532</td>
<td>64</td>
<td>12.03</td>
<td>546</td>
<td>596</td>
<td>48</td>
<td>8.76</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL REVENUE AVAILABLE FOR OPERATIONS**

| 1,913            | 1                                | 0.05  | 1,914                   | 1,912         | 2              | 0.10                           |   |
| 193              | (40)                             | (20.73)| 277                     | 233           | 44             | 15.88                          |   |
| 110              | 11                               | 10.00 | 99                      | 99            | -              | -                              |   |
| 3                |                                  |       | 3                       | 3             | -              | -                              |   |
| 320              | 39                               | 12.19 | 280                     | 281           | (1)            | (0.36)                         |   |
| 4                |                                  |       | 4                       | 4             | -              | -                              |   |
| 2,543            | 11                               | 0.43  | 2,577                   | 2,532         | 45             | 1.75                           |   |
| (2,011)          | 75                               | 3.73  | (2,029)                 | (1,936)       | 93             | 4.58                           |   |

**DEFICIT BEFORE SUBSIDIES**

| 95               | 11                               | 11.58 | 112                     | 106           | (6)            | (5.36)                         |   |
| 1,522            | 37                               | 2.43  | 1,622                   | 1,559         | (63)           | (3.88)                         |   |
| 228              | 5                                | 2.19  | 243                     | 233           | (10)           | (4.12)                         |   |
| 4                | (1)                              | (25.00)| 3                       | 3             | -              | -                              |   |
| 168              | (120)                            | (71.43)| 49                      | 48            | (1)            | (2.04)                         |   |
| 2,017            | (68)                             | (3.37)| 2,029                   | 1,949         | (80)           | (3.94)                         |   |

**TOTAL OPERATING SUBSIDIES**

<table>
<thead>
<tr>
<th>SURPLUS/(DEFICIT) AFTER SUBSIDIES</th>
<th>-</th>
<th>13</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealized Investment Gain/(Loss)</td>
<td>-</td>
<td>(2)</td>
<td>(2)</td>
</tr>
</tbody>
</table>

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/(LOSS)**

<table>
<thead>
<tr>
<th>$ 6</th>
<th>$ 5</th>
</tr>
</thead>
</table>

Page 4.2
10/11/2013
SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FRONTIER DIVISION
DETAIL INCOME STATEMENT
THREE MONTHS ENDED SEPTEMBER 28, 2013
(THOUSANDS)

<table>
<thead>
<tr>
<th>LAST YEAR</th>
<th>BETTER (WORSE) LAST YEAR</th>
<th>AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAST YEAR</td>
<td>AMOUNT</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>$ 1,444</td>
<td>277</td>
<td>19.18</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>(1)</td>
<td>(33.33)</td>
<td></td>
</tr>
<tr>
<td>156</td>
<td>(12)</td>
<td>(7.59)</td>
<td></td>
</tr>
<tr>
<td>1,605</td>
<td>264</td>
<td>16.45</td>
<td></td>
</tr>
</tbody>
</table>

**OPERATING REVENUES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>THIS YEAR</th>
<th>THIS YEAR ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passenger Revenue</td>
<td>$ 1,546</td>
<td>$ 1,721</td>
</tr>
<tr>
<td>Investment Income</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Other Income</td>
<td>162</td>
<td>146</td>
</tr>
<tr>
<td>TOTAL REVENUE AVAILABLE FOR OPERATIONS</td>
<td>$ 1,710</td>
<td>$ 1,869</td>
</tr>
</tbody>
</table>

**OPERATING EXPENSES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>BUDGET</th>
<th>ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor &amp; Fringe Benefits</td>
<td>6,125</td>
<td>6,084</td>
</tr>
<tr>
<td>Material &amp; Services</td>
<td>690</td>
<td>838</td>
</tr>
<tr>
<td>Injuries &amp; Damages</td>
<td>325</td>
<td>325</td>
</tr>
<tr>
<td>Fixed Rent</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>Fuel</td>
<td>916</td>
<td>949</td>
</tr>
<tr>
<td>Depreciation</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENSES</td>
<td>8,280</td>
<td>8,218</td>
</tr>
</tbody>
</table>

**DEFICIT BEFORE SUBSIDIES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>(6,570)</td>
<td>(6,349)</td>
</tr>
</tbody>
</table>

**OPERATING SUBSIDIES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>361</td>
</tr>
<tr>
<td>State</td>
<td>5,265</td>
</tr>
<tr>
<td>Local</td>
<td>789</td>
</tr>
<tr>
<td>Lease Cost/Debt Service</td>
<td>9</td>
</tr>
<tr>
<td>Other - Route Guarantees</td>
<td>146</td>
</tr>
<tr>
<td>TOTAL OPERATING SUBSIDES</td>
<td>6,570</td>
</tr>
</tbody>
</table>

**SURPLUS/(DEFICIT) AFTER SUBSIDIES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>(60)</td>
</tr>
</tbody>
</table>

**Unrealized Investment Gain/(Loss)**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>(2)</td>
</tr>
</tbody>
</table>

**SURPLUS/(DEFICIT) AFTER INVESTMENT GAIN/LOSS**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>$ (62)</td>
</tr>
</tbody>
</table>
FINANCIAL REPORT - SEPTEMBER 2013

GROUP 5 - REGIONAL RAIL DIVISION

(5.1) Comparative Statement of Income
(5.2) Detail Income Statement - (One Month)
(5.3) Detail Income Statement - (YTD)
### SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
### REGIONAL RAIL DIVISION
### COMPARATIVE STATEMENT OF INCOME
### PERIOD ENDED SEPTEMBER 28, 2013

(THOUSANDS)

<table>
<thead>
<tr>
<th>ONE MONTH ENDED SEPTEMBER 28, 2013</th>
<th>THREE MONTH ENDED SEPTEMBER 28, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BUDGET AMOUNT</strong></td>
<td><strong>ACTUAL AMOUNT</strong></td>
</tr>
<tr>
<td>$11,715</td>
<td>$11,978</td>
</tr>
<tr>
<td>1,268</td>
<td>1,106</td>
</tr>
<tr>
<td>12,983</td>
<td>13,084</td>
</tr>
<tr>
<td>23,613</td>
<td>22,705</td>
</tr>
<tr>
<td>(10,630)</td>
<td>(9,621)</td>
</tr>
<tr>
<td>10,653</td>
<td>9,694</td>
</tr>
<tr>
<td>-</td>
<td>73</td>
</tr>
<tr>
<td>-</td>
<td>(23)</td>
</tr>
<tr>
<td>$ -</td>
<td>$50</td>
</tr>
<tr>
<td>1,551</td>
<td>1,537</td>
</tr>
<tr>
<td>2,903</td>
<td>2,830</td>
</tr>
<tr>
<td>LAST YEAR AMOUNT</td>
<td>THIS YEAR ACTUAL</td>
</tr>
<tr>
<td>------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>$11,188</td>
<td>$790</td>
</tr>
<tr>
<td>98</td>
<td>(69)</td>
</tr>
<tr>
<td>942</td>
<td>135</td>
</tr>
<tr>
<td>12,228</td>
<td>856</td>
</tr>
<tr>
<td>14,582</td>
<td>892</td>
</tr>
<tr>
<td>6,088</td>
<td>(158)</td>
</tr>
<tr>
<td>187</td>
<td>(189)</td>
</tr>
<tr>
<td>1,455</td>
<td>(4)</td>
</tr>
<tr>
<td>39</td>
<td>(9)</td>
</tr>
<tr>
<td>54</td>
<td>(1)</td>
</tr>
<tr>
<td>737</td>
<td>(64)</td>
</tr>
<tr>
<td>23,142</td>
<td>437</td>
</tr>
<tr>
<td>(10,914)</td>
<td>1,293</td>
</tr>
<tr>
<td>359</td>
<td>(39)</td>
</tr>
<tr>
<td>5,710</td>
<td>(1,012)</td>
</tr>
<tr>
<td>857</td>
<td>(151)</td>
</tr>
<tr>
<td>3,940</td>
<td>(45)</td>
</tr>
<tr>
<td>74</td>
<td>1</td>
</tr>
<tr>
<td>10,940</td>
<td>(1,246)</td>
</tr>
<tr>
<td>26</td>
<td>47</td>
</tr>
<tr>
<td>$26</td>
<td>$24</td>
</tr>
</tbody>
</table>

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
REGIONAL RAIL DIVISION
DETAIL INCOME STATEMENT
ONE MONTH ENDED SEPTEMBER 28, 2013

(THOUSANDS)