

December 10, 2015

Ms. Denise Goren  
Director, Mayor's Office of Transportation  
City of Philadelphia  
1401 JFK Boulevard  
Philadelphia, PA 19102

**Re: City of Philadelphia Subsidy Requirements (FY 2017 – 2021)**

Dear Ms. Goren:

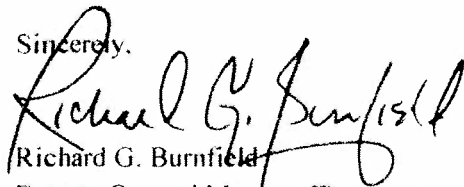
Enclosed please find SEPTA's request for City of Philadelphia Subsidy for Fiscal Year 2017 along with projections for FY 2018 through 2021. The City of Philadelphia is requested to budget subsidy in the amount of \$79,720,000 in Fiscal Year 2017 to match estimated Commonwealth of Pennsylvania Act 89 operating subsidies as currently estimated by PADOT.

State operating subsidy is funded through the Pennsylvania Public Transportation Trust Fund as created by Act 44 of 2007, and amended by Act 89 of 2013. Local matching funds of 15 percent must be appropriated in the year in which state funds are received in order for SEPTA to receive the full-allocation of Act 89 state subsidy funding. Please note that this is a preliminary request as the Commonwealth has not yet adopted a budget for the current fiscal year and Governor Wolf will not introduce the FY 2017 budget for Pennsylvania until the Spring of 2016. In addition, SEPTA just recently commenced development of the Authority's Fiscal Year 2017 operating budget and will release the budget proposal in March, 2016 for public review and comment.

The City of Philadelphia's commitment to provide local matching funds will fulfill SEPTA's requirement to match state funds as mandated by state legislation.

If you have any questions concerning this request, please feel free to contact me.

Sincerely,



Richard G. Burnfield  
Deputy General Manager/Treasurer

Enclosure

cc: Jeffrey D. Knuettel  
Bridget Collins-Greenwald  
Patricia Ellis  
Frances M. Jones  
Francis E. Kelly

**City of Philadelphia SEPTA Subsidy Requirements  
Fiscal Years 2017 through 2021**

	Fiscal Years' Projections				
	2017	2018	2019	2020	2021
<u>Section 1513 Subsidy</u>	656,863	696,275	738,052	782,335	829,275
Local Match 15% Philadelphia Match	98,529 78,328	104,441 84,594	110,708 90,093	117,350 95,498	124,391 101,228
<u>Section 1514 State Subsidy</u>	36,366	36,678	36,616	28,936	28,819
Local match at 3.33% Philadelphia Match	1,211 1,136	1,221 1,137	1,219 1,134	964 896	960 894
<u>Section 5307/5337 Federal Subsidy</u>	56,720	56,885	61,086	63,129	64,941
Local match 0.645% Philadelphia Match	366 256	367 257	394 276	408 286	419 293
Total State subsidy	749,949	789,838	835,754	874,400	923,035
Total Local Match	100,106	106,029	112,321	118,722	125,770
Philadelphia Local Match	<b>79,720</b>	<b>85,988</b>	<b>91,503</b>	<b>96,680</b>	<b>102,415</b>

The Philadelphia match to Section 1513 State Subsidy varies year by year based on operating division budget forecasts for that year (e.g., City Transit and Regional Rail).

Please note that the matching requirements are set by federal and state transportation law. The receipt of federal and state funds is dependent on the local match funding being in place.