

June 9, 2011

PENNSYLVANIA’S 2013 TRANSPORTATION PROGRAM FINANCIAL GUIDANCE

This is a collaborative product jointly developed by the Pennsylvania Planning Partners – MPOs, RPOs, FHWA, FTA, the State Transportation Commission, and PENNDOT.

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BACKGROUND

Draft financial guidance, presented in this document by the Financial Guidance Work Group, is the Group's best assessment regarding near term revenues that can support a 2013 Program update. As always, the Financial Guidance Work Group has been guided by past principles adopted by the Financial Guidance Steering Committee. These principles dictate that guidance must be based on:

- A cooperative effort;
- A long-term strategic viewpoint;
- A Commonwealth perspective;
- Existing and readily available data;
- Statewide and regional needs-based decision-making;
- Responsiveness to near-term issues and priorities; and,
- Coordination with other agencies and initiatives.

The Financial Guidance Work Group reached consensus on draft financial guidance components at a June 1, 2011 conference call. Recommendations of the work group that are reflected in this document include the following:

- Needs based formulas are retained from 2011 Financial Guidance. No changes were made to existing formulas.
- Act 44 funds continue at a reduced level as prescribed by Act 44 of 2007.
- A zero percent revenue growth assumption in federal highway and bridge funds for the entire 2013-2016 Program is recommended by the Financial Guidance Workgroup. This is the most realistic "best case" scenario that can be assumed. Even at the best case scenario, this still reflects an overall decrease of \$238 million from the 2011 Program. This is due primarily to the assumption of a 4% growth rate in years 2013 and 2014 that was made under the 2011 Program Financial Guidance.
- State Motor License Funds reflect a \$900 million decrease due to declining revenues, discontinuation of the bridge bonding program, and debt service on existing bonds.
- State highway and bridge funding is also decreased based on revenue estimates and debt service on bonds.
- A zero percent revenue growth assumption for the federal transit program mirrors the assumptions on the federal highway side of the equation.
- State transit funding is based on estimated revenues to the Public Transportation Trust Fund.
- A 3 percent annual inflation factor is to be applied to each project cost estimate to reflect "year of expenditure" requirements.
- The Interstate Program will continue to be managed at a statewide level.

THE HIGHWAY PROGRAM

FUNDING

Funding for the development of Pennsylvania's 2013 Transportation Program will include all Federal and state capital funding that is anticipated over the next four years. This will include State Appropriation 581 funding for highway capital projects, State Appropriations 179, 183, and 185 funding for bridge capital projects, all federal highway and bridge funding apportioned or allocated to the Commonwealth as well as estimated federal and state transit funding. All regionally significant projects must be listed on the Program regardless of the type of funding.

State Appropriation 582 funding is used for highway maintenance activities and is allocated to individual PennDOT County Maintenance Offices under a formula established by the State General Assembly. This funding may serve as the matching funds for Highway Restoration and Preservation projects and in such cases will represent additional funding which is provided to a region. The decision to include any state Appropriation 582 funding in the Program will be a PennDOT decision based on an assessment of project priorities and funding availability within the individual counties.

The tables that are included in the appendices of this document include all federal funding (Except earmarks and other discretionary programs) anticipated for the four-year period covered by this program. SAFETEA-LU legislation expired September 30, 2009. As of the date of this financial guidance, reauthorization legislation is not in place. Federal funding levels reflect zero growth. State funding levels reflect a decline due to decreased revenues, debt service on existing bonds, and an assumption of no further bonding.

FUNDING DISTRIBUTION

The distribution of federal funds follows previous formulas and policy decisions that were approved in conjunction with the 2011 Financial Guidance. Specifically, it continues to assume the practice of programming to the authorization level rather than a lower obligation level. It also retains current funding formulas and the Interstate Management Program. The Federal Safe Routes to School funds remain separate from the Transportation Enhancement funding allocation and it is held in a statewide line item. The distribution of the highway and bridge funding is as follows:

- **Transportation Infrastructure Investment (formerly Economic Development)** – reserve \$25 million per year in state funds for transportation improvements associated with economic development opportunities. Decisions on how to utilize this funding will be at the discretion of the Secretary of Transportation.
- **Statewide Transit Flex** – reserve \$25 million per year in federal funds to flex to transit in accordance with agreements reached in conjunction with the enactment of Pennsylvania Act 3 of 1997.

• **Statewide Line Items** – reserve an average of \$33 million per year in federal and state highway and bridge funds for State and Local Bridge Inspection, Environmental Resource Agencies, Reflective Pavement Markers (RPMs), DCNR Bridges, and other related statewide line items.

• **Interstate Management Program** – the Interstate system will continue to be managed on a statewide basis. All Interstate Maintenance funds, as well as the portion of the NHS and Bridge funds that these miles/bridges represent, including the appropriate state match, will be programmed centrally by the Department of Transportation. The priority for these funds will be to maintain the existing system. Any capacity adding and non-capital (stand alone ITS) projects will be advanced in coordination with the MPO/RPO and regional funds. A preliminary draft Interstate Management program will be provided to MPOs/RPOs and other stakeholders for information and consultation purposes in accordance with the attached schedule (Appendix 6). The following data will comprise the criteria by which the projects are evaluated:

Pavement Condition Assessment

- Pavement Structure Age
- Pavement Surface Age
- Number of Resurfacings
- International Roughness Index
- Overall Pavement Index
- Traffic volume
- Truck volume
- Remaining Service Life

Bridge Condition Assessment

- Bridge Risk Assessment
- SD Status
- Vertical Clearance Issues

Projects will be prioritized using Decision Lens software. Selected and programmed projects are based on prioritization, schedule and available funding.

• **Discretionary Funding (Spike)** – twenty percent of the balance of highway funding (federal and state) will be reserved for distribution by the Secretary of Transportation in consultation with the State Transportation Commission, to offset the impact of high cost projects or programs ("spikes") which are beyond a region's allocation, or other statewide priorities.

• **Highway Funding Formula (Federal and State)** – The remaining 80 percent will be distributed among the urban and rural areas based on those regions' population, lane miles, vehicle miles of travel and capital highway needs. The factors for highway funds distribution are based on the following formula: 30% (vehicle miles traveled, % of total) + 30% (lane miles, % of total) + 30% (population, % of total) + 10% (Maintenance Allocation – capital highway needs only, % of total).

- **Bridge Funding Formula (Federal and State)** – bridge funding will be allocated to planning regions based on square feet of deck area of structurally deficient bridges and square feet of deck area for all bridges. The factors for bridge funds distribution is based on the following formula: 20% (square foot deck area of all bridges > 20', % of total) + 80% (square foot deck area of structurally deficient bridges > 20', % of total). Bridge rehabilitation, replacement, and preservation remain a Department priority.

- **Surface Transportation Program-Urban (STU)** – funding is allocated to each region with populations greater than 200,000 based on current federal formula. The federal formula suballocates STP funds within each state between urbanized areas with populations greater than 200,000 and the rest of the state in proportion to their relative share of the total state population as well as the total state urbanized area population in proportion to all other states total urbanized area population. The suballocation formula is currently based on the 2000 Federal Census.

- **Surface Transportation Program-Enhancement (STE)** – funds will be distributed on the basis of population (80%) and land area (20%), with 20 percent reserved for the Secretary of Transportation's discretionary use. Ready-to-go Transportation Enhancement projects that exhaust the region's financial guidance allocation are guaranteed to be funded at the level at which they were originally approved for the Transportation Enhancement Program. Increases in cost and/or scope of work are the responsibility of the sponsor or region to either fund privately or from the region's existing TIP. Transportation Enhancement fund allocations included in this guidance are anticipated to be utilized for previously approved Transportation Enhancement projects that have not yet advanced to construction. Statewide solicitation by the Department of Transportation for Enhancement projects is contingent on reauthorization legislation. In regions that have or will have advanced all previously approved Transportation Enhancement projects, funds made available under the 2013 Program may be utilized to consider additional projects as determined by the MPO/RPO.

- **Congestion Mitigation and Air Quality (CMAQ)** – funding is distributed to the states based on federal factors which take into account each region's air quality classification. These same factors will be used to distribute the funding to the planning regions. Note that FHWA has placed a high priority on addressing congestion, particularly bottlenecks, traffic signal programs, and other recommendations supported by the Transportation Advisory Committee Report: Congestion Mitigation and Smart Transportation (May, 2009).

- **Highway Safety Improvement Program (HSIP)** – funding will be allocated to planning regions based on lane miles, vehicle miles traveled, fatalities and reportable crashes. HSIP fund distribution is based on the following formula: 25% (lane miles, % of total) + 25% (vehicle miles traveled, % of total) + 25% (highway fatalities, % of total) + 25% (reportable crashes, % of total). Projects funded with HSIP federal funds must be included as part of an overall Department and FHWA approved Safety Program.

- **High Risk Rural Roads** – funding for this safety program will be distributed through the Highway Safety Improvement Program formula and are subject to the same rules of inclusion on an overall Department and FHWA approved Safety Program.

- **Federal Safe Routes to School** – funding for this program will be held in a statewide line item. The Federal Safe Routes to School program is a competitive program. Funds are not distributed via formula. Applications are periodically solicited based on the availability of funds and rate of project delivery. It is anticipated that if this program is continued in reauthorization legislation, a solicitation for projects will be evaluated as appropriate.

- **Rail/Highway Safety** – funding will be allocated to each region based on the number of grade crossings in the region, and the number of rail/highway crashes in the region (based on the most recent five year history). Rail/highway safety funding distribution is based on the following formula: 50% (# of grade crossings, % of total) + 50% (# of rail/highway crashes, % of total).

The following are categories of funding have limitations on how and where they may be used and will be considered as additional funds to the region.

- **Special Federal Funding (SXF)** – which is earmarked for specific projects in ISTEA, TEA-21, SAFETEA-LU and other federal legislation.

- **Appalachia Development Highway (APD)** – funding which may only be used for eligible capital improvements on routes that have been designated as Appalachia highway corridors and which are included in the most recent Appalachia Development Highway System Cost to Complete Estimate. A summary report on the Cost to Complete Estimate may be found at: http://www.arc.gov/images/programs/transp/2007_adhs_cost-to-complete/2007_cost_pennsylvania.pdf

- **All Discretionary Federal Funding** – which the Commonwealth receives, such as Interstate Maintenance discretionary funding, Public Lands Highways discretionary funding, Forest Highways funding, Ferry Boat discretionary funding, and the like. The United States Secretary of Transportation and/or Congress determines the allocation of federal discretionary funding.

- **Bond Funding** – Bridge bond funding at \$200 million per year was discontinued in FFY 2012. No new or additional bond funding is included in the FY 2013 – 2016 Financial Guidance.

- **Act 44 Funding** – Annual state revenue provided under Act 44 of 2007 is for the preservation and restoration of roadways and bridges, as well as for operations and maintenance of the system. Distribution formulas from Financial Guidance comprise the allotment of Act 44 funds to each region. (Highway-55.3%, Bridge-27.7%, Safety-4.3%, and CMAQ-12.7%). Funds are directed to the Interstate Program consistent with the Financial Guidance. Act 44 funds are directed to the Interstate Program consistent with formulas established in previous Financial Guidance. There is a mandatory 15 percent set-aside to the Secretary's discretionary fund as provided for in the legislation.

Act 44 funds are flexible in nature and may be used for bridges or highway and for capital or maintenance costs. However, projects that focus on reducing the number of structurally deficient bridges and improving ride quality on state highways should be given priority. Projects that improve safety and provide for operational improvements (such as ITS and traffic signal optimization) may also be included. Act 44 eligible activities include bridge preservation, bridge

rehabilitation and replacement, maintenance force or contract resurfacing, roadway rehabilitation or reconstruction, as well as safety and operational improvements. “First call” for the use of these funds should be projects previously identified for their use. Other projects will be considered on a case by case basis. Act 44 funds may not be used for capacity adding (new lane construction) projects or for improving locally owned roadways.

Note that the tables in Appendix 2 show a division between state (capital) and federal funding for bridge and highway categories. Act 44 funding is reflected in a separate column since the source of the funds has been determined through a lease agreement between the Department and the Pennsylvania Turnpike Commission.

• **Local and Private Funding** Local and private funding is not included in the tables, and can be considered additional funding above that which is shown, if documentation supports the funds are reasonably expected to be made available. Specific guidance related to programming local, private and other sources of funding is provided in the Program Guidelines section of this guidance.

PROGRAM GUIDELINES

Program implementation will be dependent upon the actual federal obligation levels that are appropriated each year and the state funds included in the annual state budget. Because of this, the Program funding levels and implementation funding levels may differ.

The program will be fiscally constrained by year for each MPO and RPO. The tables that comprise the Appendices establish a region’s annual funding constraint. PennDOT will work with MPOs and RPOs to assign projects and their associated funding to appropriate years based on a combination of project readiness and estimated funding availability.

Under recent federal regulations the program will be developed using the “year of expenditure” approach. This requires that an inflation factor is taken into account during the project cost estimating process. For project estimating purposes, a 3 percent inflation factor should be used in calculations for each year of the TIP. That is, project funding will be arrayed over the program period consistent with the amount which will be needed (including inflation) in any given year.

Low cost, short duration project phases should generally have all of their costs shown as a lump sum in a single year. Longer term, high cost project phases may have their costs spread over the several years that the specific phase will be active. In many cases, such phases will initially be advance constructed and then partially converted over several years. This action will require programming the advance construct costs for projects that are initiated prior to the beginning of the 2013 Program period (October 1, 2012), and which will require conversion funding during the 2013 Program period and beyond. All remaining project phases and costs must be included on a financially constrained long range plan.

The Pennsylvania Turnpike Commission receives funding from a variety of sources, including toll revenues, state funding earmarked in Act 26 of 1991 and Act 3 of 1997, and special federal funding earmarked by Congress. These funds are not reflected in this financial guidance. The

authority for the programming of projects using these funding sources rests with the Turnpike Commission. The Turnpike Commission does implement projects that qualify for regular federal funds. If they desire to pursue regular federal funding, the Turnpike Commission will present their projects for consideration with other state and local projects within the appropriate planning region. However, all regionally significant Turnpike projects should be included on regional TIPs as required by statewide planning regulations.

As noted earlier, all regionally significant projects and phases of projects that are to be implemented in a region must be included in the Program, regardless of the type of funding to be used. Projects requiring cash flow beyond the TIP, or not fully funded on the TIP, must be listed as “later fiscal years” and included in the region’s Long Range Plan. This may require revisions or amendments to the existing MPO/RPO Long Range Plan.

Note that the Final Rule on Statewide Transportation Planning and Metropolitan Transportation Planning, issued February 14, 2007, also requires that in air quality non-attainment and maintenance areas, projects included in the first two years of the STIP and TIP must be limited to those for which funds are “available” (dedicated state and federal) or “committed”. Funds which are listed on a STIP or TIP from sources that are not historically used for transportation purposes (including local and private funds) require a commitment in writing (letter of intent) by the responsible official or body having control of the funds.

DISTRIBUTION OF THE "SPIKE" FUNDING

The ultimate decisions with regard to the distribution of "spike" funding will be made by the Secretary of Transportation. Regions should align projects in accordance with their relative priorities and schedules, making every attempt to satisfy regional priorities within regional funding allocations.

Each planning region will submit its draft program to the Secretary of Transportation in accordance with the attached schedule (Appendix 6). This submission should reflect the collaborative efforts of the MPO/RPO, PennDOT, and other partners, and should clearly indicate the level of additional funding which is needed to fully implement the draft program. The Secretary will evaluate all of the draft programs and will determine the distribution of the balance of "spike" funding prior to the air quality conformity analysis period.

BEST PRACTICES

Line items provide flexibility for regions to reserve funding for projects or phases of projects that will be identified at some future date. However, with the continual “roll-over” of two years of projects each TIP update, a best practice is to limit the amount of line items in the first two years of a new TIP. Common sense planning tells us that we ought to be able to identify the vast majority of projects that will be undertaken in the first two years of the TIP. Because the schedule for the development of the 2013 Program necessitates the drafting of a program well in advance of the beginning of the program period, it is not always possible to predict all of the costs that will have to be addressed on ongoing projects. Some regions have found it to be in their best interest to program a contingency line item for unforeseen project costs which may occur due to accrued unbilled costs, advance construction conversions, updated cost estimates, and other actions which can occur between program drafting and initiation. The

decision to use line items for these purposes is a local decision to be made by the respective planning partners in each region.

THE TRANSIT PROGRAM

FUNDING

Funding for transit improvements in Pennsylvania is a combination of federal, state, and local monies. Federal funding assumptions are based on year 2010 via SAFETEA-LU and its anticipated successor. Federal revenue assumes no growth.

State funding is provided through the Public Transportation Trust Fund. In addition, state capital budget funding is released annually for capital improvements. As part of an agreement between the Commonwealth and the transit community during the enactment of Act 3 of 1997, a total of \$25 million per year in federal highway funding will be flexed to transit agencies for their projects. This funding is reserved in the highway financial guidance discussed previously. Federal and state funding which is available for public transit programming is included in Appendices 3 through 5. Federal funding is based on guaranteed authorizations only, and includes a mix of urban formula, fixed guideway, new starts, and bus project funding. Additional federal fund authorizations are not included in the tables.

State funding for transit programs is completely restructured as provided for in Act 44 of 2007. Public transportation funds are deposited into a Public Transportation Trust Fund. The previous General Fund sources are replaced with a dedicated portion of the Sales and Use Tax to ensure that transit programs have a reliable and growing source of funding. Act 44 establishes five major public transportation programs:

- Operating Program
- Capital Improvement Program (dedicated capital distributed by formula)
- Asset Improvement Program (discretionary capital)
- New Initiative Program
- Programs of Statewide Significance

Operating Program – Operating funds are allocated among public transportation providers based on:

1. The operating assistance received in FY 2010-11; and
2. The remaining funds in the Operating Account distributed on four operating statistics:
 - a. Total passengers
 - b. Senior passengers
 - c. Revenue vehicle miles and
 - d. Revenue vehicle hours.

Capital Improvement Program - A portion of the Public Transportation Trust Fund will be distributed on a formula based on the number of passengers carried so that transit agencies will have a steady reliable stream of capital funding. There is no local match for this program.

Asset Improvement Program – In addition to state bond funds, additional capital funds were distributed to transit agencies based on their demonstrated need. Transit agencies are required to submit to the Bureau of Public Transit and MPOs/RPOs annually a four and twelve year capital plan that coincides with their MPO/RPO's Transportation Improvement Program. The local match is established at 3 1/3 %.

NOTE: The funding level for this program was \$150 million in SFY 2009-10, but is \$0 in SFY 2010-11 and subsequent years.

New Initiatives Program – This is a new program that provides the framework to advance new or expansions of existing fixed guideway projects. Act 44 specifies criteria that must be met to receive funding under this program. The local match is established at 3 1/3 % of the state funding. **NOTE:** No funding has been available for this program.

Programs of Statewide Significance - Programs such as Persons with Disabilities, Welfare to Work, Job Access Reverse Commute, intercity bus and rail service, as well as technical assistance and demonstration projects, are funded using a dedicated portion of the Public Transportation Trust Fund. The match requirements vary by program.

The funding in the transit tables is for planning purposes only. The actual state and federal funding that is ultimately available each year will be determined during the annual appropriations and budgeting processes.

NOTE: If state funds have not been approved in a Consolidated Capital Grant through dotGrants or by letter from the Department, all non federal funding should be identified as "local" on the TIP. Adjustments to sources of project funding should be made following execution of the Consolidated Capital Grant agreement.

DRAFT PROGRAM SUBMISSION

As noted earlier, each MPO and RPO is requested to submit a copy of its prioritized draft highway and bridge and transit programs to PennDOT by December 31, 2011. It is expected that all draft programs will be fiscally constrained at the time of submission. A separate document indicating additional priority projects that will not be able to advance due to fiscal constraint should accompany the draft program submission. The Secretary of Transportation will review the additional priority projects and determine the allocation of so-called "spike funds".

**Appendix 1
Available Funds
2013 Financial Guidance
Highway and Bridge Funds - (\$000)**

Highway Funds	2013	2014	2015	2016	2013 -2016 Total	2011-2014 Total	Change
National Highway System (NHS)	236,644	236,644	236,644	236,644	946,575	982,738	(36,163)
Surface Transportation Program (STP)	265,827	265,827	265,827	265,827	1,063,307	1,103,930	(40,623)
Interstate Maintenance	217,758	217,758	217,758	217,758	871,031	904,308	(33,277)
Equity Bonus	90,452	90,452	90,452	90,452	361,809	375,632	(13,823)
Subtotal - Fed. Hwy.	810,681	810,681	810,681	810,681	3,242,722	3,366,607	(123,885)
State Highway	130,000	130,000	130,000	130,000	520,000	700,000	(180,000)
Bridge Funds							
Federal Bridge	469,849	469,849	469,849	469,849	1,879,396	1,951,196	(71,800)
State Bridge	116,000	101,000	101,000	101,000	419,000	490,000	(71,000)
Other Funds							
Cong. Mitigation/Air Quality (CMAQ)	108,087	108,087	108,087	108,087	432,347	448,864	(16,517)
Safety (HSIP/HRRR)	47,227	47,227	47,227	47,227	188,906	196,123	(7,217)
Safe Routes to Schools	6,405	6,405	6,405	6,405	25,621	26,600	(979)
Appalachian Development	105,494	105,494	105,494	105,494	421,975	438,096	(16,121)
Rail/Highway Crossings	7,410	7,410	7,410	7,410	29,640	30,773	(1,133)
Act 44	200,000	200,000	200,000	200,000	800,000	800,000	0
Bridge Bond to Allocate	0	0	0	0	0	650,000	(650,000)
Total	2,001,152	1,986,152	1,986,152	1,986,152	7,959,607	9,098,259	(1,138,653)

*Apportionments Reflect 2% setaside for Statewide Planning

**Federal and State funds
Subject to Distribution via Base Allocation Formulas - (\$000)**

Funds	2013	2014	2015	2016	2013-2016 Total	2011-2014 Total	Change
STP	265,827	265,827	265,827	265,827	1,063,307	1,103,930	(40,623)
Plus Equity Bonus	90,452	90,452	90,452	90,452	361,809	375,632	(13,823)
Less Enhancements	28,559	28,559	28,559	28,559	114,235	118,599	(4,364)
Less Urban	87,255	87,255	87,255	87,255	349,021	362,355	(13,334)
Less Transit	25,000	25,000	25,000	25,000	100,000	100,000	0
Less Statewide	6,200	6,200	6,200	6,200	24,800	24,800	0
Less Spike (20%)	41,853	41,853	41,853	41,853	167,412	174,761	(7,349)
STP to Allocate	167,412	167,412	167,412	167,412	669,648	699,046	(29,398)
NHS	236,644	236,644	236,644	236,644	946,575	982,738	(36,163)
Less Spike (20%)	47,329	47,329	47,329	47,329	189,315	196,548	(7,233)
NHS to Allocate	189,315	189,315	189,315	189,315	757,260	786,191	(28,930)
State Highway	130,000	130,000	130,000	130,000	520,000	700,000	(180,000)
Less Econ. Develop.	25,000	25,000	25,000	25,000	100,000	100,000	0
Less Statewide	1,550	1,550	1,550	1,550	6,200	6,200	0
Less Spike (20%)	20,690	20,690	20,690	20,690	82,760	118,760	(36,000)
State Highway to Allocate	82,760	82,760	82,760	82,760	331,040	475,040	(144,000)
Total Federal and State Highway	439,487	439,487	439,487	439,487	1,757,948	1,960,276	(202,328)
Federal Bridge	469,849	469,849	469,849	469,849	1,879,396	1,951,196	(71,800)
Less Statewide Reserve	20,096	20,096	20,096	20,096	80,384	83,455	(3,071)
Federal Bridge to Allocate	449,753	449,753	449,753	449,753	1,799,012	1,867,741	(68,729)
State Bridge	116,000	101,000	101,000	101,000	419,000	490,000	(71,000)
Less Statewide Reserve	5,024	5,024	5,024	5,024	20,096	20,864	(768)
State Bridge to Allocate	110,976	95,976	95,976	95,976	398,904	469,136	(70,232)
Total Fed. + Sta. Bridge	560,729	545,729	545,729	545,729	2,197,916	2,336,877	(138,962)
Enhancements	28,559	28,559	28,559	28,559	114,235	118,599	(4,364)
Less Secretary's Reserve	5,712	5,712	5,712	5,712	22,847	23,720	(873)
Enhancements \$ to Allocate	22,847	22,847	22,847	22,847	91,388	94,879	(3,491)
Federal Safe Routes to School	6,405	6,405	6,405	6,405	25,621	26,600	(979)
Less Administrative Costs	80	80	80	80	320	320	0
Safe Routes to School to Alloc.	6,325	6,325	6,325	6,325	25,301	26,280	(979)
Urban to Allocate	87,255	87,255	87,255	87,255	349,021	362,355	(13,334)
CMAQ to Allocate	108,087	108,087	108,087	108,087	432,347	448,864	(16,517)
Rail/Hwy Crossings to Allocate	7,410	7,410	7,410	7,410	29,640	30,773	(1,133)
Safety to Allocate	47,227	47,227	47,227	47,227	188,906	196,123	(7,217)
Interstate Maintenance to Allocate	217,758	217,758	217,758	217,758	871,031	904,308	(33,277)
Appalachian Development to Allocate	105,494	105,494	105,494	105,494	421,975	438,096	(16,121)
Bridge Bond to Allocate *	0	0	0	0	0	650,000	(650,000)
Act 44 Revenue	200,000	200,000	200,000	200,000	800,000	660,000	0
Less Secretary's Discretionary	30,000	30,000	30,000	30,000	120,000	99,000	0
Less County/Municipality Distribution	35,000	35,000	35,000	35,000	140,000	0	0
Act 44 to Allocate	135,000	135,000	135,000	135,000	540,000	561,000	(21,000)
TOTAL FUNDS TO ALLOCATE	1,737,618	1,722,618	1,722,618	1,722,618	6,905,473	8,045,267	(1,139,794)

* Note that bonding for state bridges is not anticipated for the 2013-2016 Program

APPENDIX 2

Highway/Bridge Base Funding Allocations
FFY 2013 (\$000)

Region	Interstate Maintenance	NHS	STP	State Highway	Federal Bridge	State Bridge	Urban	Safety	CMAQ	Rail	Enhancements	Act 44 Revenue	TOTAL	% of TOTAL
Delaware Valley	0	37,994	36,771	12,471	63,750	17,673	43,104	9,813	40,990	1,313	5,989	27,656	297,524	17.12%
Southwest Penna	0	36,342	35,096	11,903	114,009	31,548	21,203	9,239	23,087	1,700	4,423	28,346	316,987	18.24%
Harrisburg	0	7,431	7,284	2,470	9,922	2,812	4,363	2,366	5,107	226	957	5,054	47,993	2.76%
Scranton/WB	0	6,649	6,412	2,174	13,866	3,859	4,625	2,075	4,976	288	908	4,823	50,655	2.92%
Lehigh Valley	0	7,226	7,049	2,391	15,612	4,328	6,631	2,130	6,016	443	1,005	4,752	57,581	3.31%
Altoona	0	1,701	1,653	561	3,988	1,110	0	544	1,181	103	236	1,426	12,504	0.72%
Johnstown	0	2,332	2,266	769	3,489	986	0	583	1,335	94	277	1,699	13,830	0.80%
Centre County	0	1,989	1,924	652	2,622	735	0	618	1,431	47	335	1,332	11,685	0.67%
Williamsport	0	2,299	2,214	751	3,799	1,081	0	614	0	62	293	1,367	12,480	0.72%
Erie	0	3,486	3,364	1,141	3,716	1,048	0	1,059	2,608	393	485	2,389	19,689	1.13%
Lancaster	0	6,430	6,332	2,148	10,169	2,860	3,926	1,813	4,828	319	844	4,189	43,859	2.52%
York	0	5,350	5,169	1,753	4,785	1,339	0	1,561	4,043	337	718	3,221	28,277	1.63%
Reading	0	5,074	4,953	1,680	16,684	4,596	2,879	1,568	3,824	237	680	3,622	45,796	2.64%
Lebanon	0	1,615	1,569	532	2,497	692	0	549	1,242	88	229	1,092	10,104	0.58%
SVATS	0	1,922	1,859	631	5,635	1,559	524	660	1,084	157	236	1,580	15,848	0.91%
Total Urban	0	127,839	123,916	42,025	274,633	76,227	87,255	35,191	101,753	5,808	17,616	92,548	984,811	56.68%
Northwest	0	6,199	5,929	2,011	12,551	3,488	0	1,630	0	229	703	3,584	36,322	2.09%
Northcentral	0	5,950	5,696	1,932	16,358	4,513	0	1,573	759	256	843	4,130	42,009	2.42%
Northern Tier	0	7,431	7,026	2,383	10,794	3,038	0	1,497	1,056	54	666	3,590	37,536	2.16%
Southern Allegh.	0	5,779	5,530	1,875	10,342	2,899	0	1,507	0	253	618	3,679	32,482	1.87%
NEPA	0	8,352	8,026	2,722	18,287	5,031	0	2,564	2,185	113	1,021	4,797	53,095	3.06%
SEDA-COG	0	7,550	7,290	2,472	18,019	5,045	0	2,068	0	457	889	4,450	48,240	2.78%
Adams	0	1,926	1,881	638	2,838	786	0	514	943	88	199	1,053	10,866	0.63%
Franklin	0	2,198	2,119	719	2,403	669	0	682	1,391	152	294	1,269	11,895	0.68%
Total Rural	0	45,383	43,497	14,752	91,592	25,468	0	12,036	6,333	1,602	5,231	26,552	272,446	15.68%
Interstate Program	217,758	16,093	0	25,963	83,527	9,281	0	0	0	0	0	15,900	368,542	21.21%
SRTS* Reserve	0	0	0	0	0	0	0	0	0	0	6,325	0	6,325	0.36%
Appalachian Dev.	0	0	0	0	0	0	0	0	0	0	0	0	105,494	6.07%
Grand Total	217,758	189,315	167,412	82,760	449,753	110,976	87,255	47,227	108,087	7,410	29,172	135,000	1,737,618	100.00%

* SRTS = Federal Safe Routes to School

APPENDIX 2

Highway/Bridge Base Funding Allocations
FFY 2014 (\$000)

Region	Interstate Maintenance	NHS	STP	State Highway	Federal Bridge	State Bridge	Urban	Safety	CMAQ	Rail	Enhance ments	ACT 44 Revenue	TOTAL	% of TOTAL
Delaware Valley	0	37,994	36,771	12,471	63,750	15,066	43,104	9,813	40,990	1,313	5,989	27,656	294,917	17.12%
Southwest Penna	0	36,342	35,096	11,903	114,099	26,895	21,203	9,239	23,087	1,700	4,423	28,346	312,334	18.13%
Harrisburg	0	7,431	7,284	2,470	9,922	2,397	4,363	2,366	5,107	226	957	5,054	47,578	2.76%
Scranton/WB	0	6,849	6,412	2,174	13,866	3,290	4,625	2,075	4,976	288	908	4,823	50,085	2.91%
Lehigh Valley	0	7,226	7,049	2,391	15,612	3,689	6,631	2,130	6,016	443	1,005	4,752	56,943	3.31%
Alltoona	0	1,701	1,653	561	3,988	947	0	544	1,181	103	236	1,426	12,340	0.72%
Johnstown	0	2,332	2,266	769	3,489	840	0	583	1,335	94	277	1,699	13,684	0.79%
Centre County	0	1,989	1,924	652	2,622	627	0	618	1,431	47	335	1,332	11,576	0.67%
Williamsport	0	2,299	2,214	751	3,799	921	0	614	0	62	293	1,367	12,320	0.72%
Erie	0	3,486	3,364	1,141	3,716	893	0	1,059	2,608	393	485	2,389	19,534	1.13%
Lancaster	0	6,430	6,332	2,148	10,169	2,439	3,926	1,813	4,828	319	844	4,189	43,438	2.52%
York	0	5,350	5,169	1,753	4,785	1,142	0	1,561	4,043	337	718	3,221	28,080	1.63%
Reading	0	5,074	4,953	1,680	16,684	3,918	2,879	1,568	3,824	237	680	3,622	45,118	2.62%
Lebanon	0	1,615	1,569	532	2,497	590	0	549	1,242	88	229	1,092	10,002	0.58%
SVATS	0	1,922	1,859	631	5,635	1,329	524	660	1,084	157	236	1,580	15,618	0.91%
Total Urban	0	127,839	123,916	42,025	274,633	64,983	87,255	35,191	101,753	5,808	17,616	92,548	973,568	56.52%
Northwest	0	6,199	5,929	2,011	12,551	2,973	0	1,630	0	229	703	3,584	35,808	2.08%
Northcentral	0	5,950	5,696	1,932	16,358	3,847	0	1,573	759	256	843	4,130	41,344	2.40%
Northern Tier	0	7,431	7,026	2,383	10,794	2,590	0	1,497	1,056	54	666	3,590	37,087	2.15%
Southern Allegh.	0	5,779	5,530	1,875	10,342	2,471	0	1,507	0	253	618	3,679	32,055	1.86%
NEPA	0	8,352	8,026	2,722	18,287	4,289	0	2,564	2,185	113	1,021	4,797	52,353	3.04%
SEDA-COG	0	7,550	7,290	2,472	18,019	4,301	0	2,068	0	457	889	4,450	47,496	2.76%
Adams	0	1,926	1,881	638	2,838	670	0	514	943	88	199	1,063	10,750	0.62%
Franklin	0	2,198	2,119	719	2,403	570	0	682	1,391	152	284	1,269	11,797	0.68%
Total Rural	0	45,383	43,497	14,752	91,592	21,712	0	12,036	6,333	1,602	5,231	26,552	268,690	15.60%
Interstate Program	217,758	16,093	0	25,983	83,527	9,281	0	0	0	0	0	15,900	368,542	21.39%
SRTS* Reserve	0	0	0	0	0	0	0	0	0	0	6,325	0	6,325	0.37%
Appalachian Dev.	0	0	0	0	0	0	0	0	0	0	0	0	105,494	6.12%
Grand Total	217,758	189,315	167,412	82,760	449,753	95,976	87,255	47,227	108,087	7,410	29,172	135,000	1,722,618	100.00%

* SRTS = Federal Safe Routes to School

APPENDIX 2

Highway/Bridge Base Funding Allocations
FFY 2015 (\$000)

Region	Interstate Maintenance	NHS	STP	State Highway	Federal Bridge	State Bridge	Urban	Safety	CMAQ	Rail	Enhancements	ACT 44 Revenue	TOTAL	% of TOTAL
Delaware Valley	0	37,994	36,771	12,471	63,750	15,066	43,104	9,813	40,990	1,313	5,989	27,656	294,917	17.12%
Southwest Penna	0	36,342	35,096	11,903	114,099	26,895	21,203	9,239	23,087	1,700	4,423	28,346	312,334	18.13%
Harrisburg	0	7,431	7,284	2,470	9,922	2,397	4,363	2,366	5,107	226	957	5,054	47,578	2.76%
Scranton/WB	0	6,649	6,412	2,174	13,866	3,290	4,625	2,075	4,976	288	908	4,823	50,085	2.91%
Lehigh Valley	0	7,226	7,049	2,391	15,612	3,689	6,631	2,130	6,016	443	1,005	4,752	56,943	3.31%
Altoona	0	1,701	1,653	561	3,988	947	0	544	1,181	103	236	1,426	12,340	0.72%
Johnstown	0	2,332	2,266	769	3,489	840	0	583	1,335	94	277	1,699	13,684	0.79%
Centre County	0	1,989	1,924	652	2,622	627	0	618	1,431	47	335	1,332	11,576	0.67%
Williamsport	0	2,299	2,214	751	3,799	921	0	614	0	62	293	1,367	12,320	0.72%
Erie	0	3,486	3,364	1,141	3,716	893	0	1,059	2,608	393	485	2,389	19,534	1.13%
Lancaster	0	6,430	6,332	2,148	10,169	2,439	3,926	1,813	4,828	319	844	4,189	43,438	2.52%
York	0	5,350	5,169	1,753	4,785	1,142	0	1,561	4,043	337	718	3,221	28,080	1.63%
Reading	0	5,074	4,953	1,680	16,684	3,918	2,879	1,568	3,824	237	680	3,622	45,118	2.62%
Lebanon	0	1,615	1,569	532	2,497	590	0	549	1,242	88	229	1,092	10,002	0.58%
SVATS	0	1,922	1,859	631	5,635	1,329	524	660	1,084	157	236	1,580	15,618	0.91%
Total Urban	0	127,839	123,916	42,025	274,633	64,983	87,255	35,191	101,753	5,808	17,616	92,548	973,568	56.52%
Northwest	0	6,199	5,929	2,011	12,551	2,973	0	1,630	0	229	703	3,584	35,808	2.08%
Northcentral	0	5,950	5,696	1,932	16,358	3,847	0	1,573	759	256	843	4,130	41,344	2.40%
Northern Tier	0	7,431	7,026	2,383	10,794	2,590	0	1,497	1,056	54	666	3,590	37,087	2.15%
Southern Allegh.	0	5,779	5,530	1,875	10,342	2,471	0	1,507	0	253	618	3,679	32,055	1.86%
NEPA	0	8,352	8,026	2,722	18,287	4,289	0	2,564	2,185	113	1,021	4,797	52,353	3.04%
SEDA-COG	0	7,550	7,290	2,472	18,019	4,301	0	2,068	0	457	889	4,450	47,496	2.76%
Adams	0	1,926	1,881	638	2,838	670	0	514	943	88	199	1,053	10,750	0.62%
Franklin	0	2,198	2,119	719	2,403	570	0	682	1,391	152	294	1,269	11,797	0.68%
Total Rural	0	45,383	43,497	14,752	91,592	21,712	0	12,036	6,333	1,602	5,231	26,552	268,690	15.60%
Interstate Program	217,758	16,093	0	25,983	83,527	9,281	0	0	0	0	0	15,900	368,542	21.39%
SRTS* Reserve	0	0	0	0	0	0	0	0	0	0	6,325	0	6,325	0.37%
Appalachian Dev.	0	0	0	0	0	0	0	0	0	0	0	0	105,494	6.12%
Grand Total	217,758	189,315	167,412	82,760	449,753	95,976	87,255	47,227	108,087	7,410	29,172	135,000	1,722,618	100.00%

* SRTS = Federal Safe Routes to School

APPENDIX 2

Highway/Bridge Base Funding Allocations
FFY 2016 (\$000)

Region	Interstate Maintenance	NHS	STP	State Highway	Federal Bridge	State Bridge	Urban	Safety	CMAQ	Rail	Enhancements	ACT 44 Revenue	TOTAL	% of TOTAL
Delaware Valley	0	37,994	36,771	12,471	63,750	15,066	43,104	9,813	40,990	1,313	5,989	27,656	294,917	17.12%
Southwest Penna	0	36,342	35,096	11,903	114,099	26,895	21,203	9,239	23,087	1,700	4,423	28,346	312,334	18.13%
Harrisburg	0	7,431	7,284	2,470	9,922	2,397	4,363	2,366	5,107	226	957	5,054	47,578	2.76%
Scranton/WB	0	6,649	6,412	2,174	13,866	3,290	4,625	2,075	4,976	288	908	4,823	50,085	2.91%
Lehigh Valley	0	7,226	7,049	2,391	15,612	3,689	6,631	2,130	6,016	443	1,005	4,752	56,943	3.31%
Alltoona	0	1,701	1,653	561	3,988	947	0	544	1,181	103	236	1,426	12,340	0.72%
Johnstown	0	2,332	2,266	769	3,489	840	0	583	1,335	94	277	1,699	13,684	0.79%
Centre County	0	1,989	1,924	652	2,622	627	0	618	1,431	47	335	1,332	11,576	0.67%
Williamsport	0	2,299	2,214	751	3,799	921	0	614	0	62	293	1,367	12,320	0.72%
Erie	0	3,486	3,364	1,141	3,716	893	0	1,059	2,608	393	485	2,389	19,534	1.13%
Lancaster	0	6,430	6,332	2,148	10,169	2,439	3,926	1,813	4,828	319	844	4,189	43,438	2.52%
York	0	5,350	5,169	1,753	4,785	1,142	0	1,561	4,043	337	718	3,221	28,080	1.63%
Reading	0	5,074	4,953	1,680	16,684	3,918	2,879	1,568	3,824	237	680	3,622	45,118	2.62%
Lebanon	0	1,615	1,569	532	2,497	590	0	549	1,242	88	229	1,092	10,002	0.58%
SVATS	0	1,922	1,859	631	5,635	1,329	524	660	1,084	157	236	1,580	15,618	0.91%
Total Urban	0	127,839	123,916	42,025	274,633	64,983	87,255	35,191	101,753	5,808	17,616	92,548	973,568	56.52%
Northwest	0	6,199	5,929	2,011	12,551	2,973	0	1,630	0	229	703	3,584	35,808	2.08%
Northcentral	0	5,950	5,696	1,932	16,358	3,847	0	1,573	759	256	843	4,130	41,344	2.40%
Northern Tier	0	7,431	7,026	2,383	10,794	2,590	0	1,497	1,056	54	666	3,590	37,087	2.15%
Southern Allegh.	0	5,779	5,530	1,875	10,342	2,471	0	1,507	0	253	618	3,679	32,055	1.86%
NEPA	0	8,352	8,026	2,722	18,287	4,289	0	2,564	2,185	113	1,021	4,797	52,353	3.04%
SEDA-COG	0	7,550	7,290	2,472	18,019	4,301	0	2,068	0	457	889	4,450	47,496	2.76%
Adams	0	1,926	1,881	638	2,838	670	0	514	943	88	199	1,053	10,750	0.62%
Franklin	0	2,198	2,119	719	2,403	570	0	682	1,391	152	294	1,269	11,797	0.68%
Total Rural	0	45,383	43,497	14,752	91,592	21,712	0	12,036	6,333	1,602	5,231	26,552	268,690	15.60%
Interstate Program	217,758	16,093	0	25,983	83,527	9,281	0	0	0	0	0	15,900	368,542	21.39%
SRTS* Reserve	0	0	0	0	0	0	0	0	0	0	6,325	0	6,325	0.37%
Appalachian Dev.	0	0	0	0	0	0	0	0	0	0	0	0	105,494	6.12%
Grand Total	217,758	189,315	167,412	82,760	449,753	95,976	87,255	47,227	108,087	7,410	29,172	135,000	1,722,618	100.00%

* SRTS = Federal Safe Routes to School

APPENDIX 2

Highway/Bridge Base Funding Allocations
TOTAL FFY 2013-2016 (\$'000)

Region	Interstate Maintenance	NHS	STP	State Highway	Federal Bridge	State Bridge	Urban	Safety	CMAQ	Rail	Enhancements	ACT 44 Revenue	TOTAL	% of TOTAL
Delaware Valley	0	151,975	147,084	49,882	254,999	62,871	172,417	39,253	163,959	5,254	23,958	110,625	1,182,276	17.12%
Southwest Penna	0	145,369	140,385	47,611	456,398	112,233	84,812	36,955	92,349	6,801	17,693	113,384	1,253,988	18.16%
Harrisburg	0	29,723	29,138	9,882	39,688	10,004	17,451	9,462	20,429	906	3,827	20,216	190,726	2.76%
Scranton/WB	0	26,594	25,647	8,698	55,466	13,729	18,498	8,301	19,904	1,151	3,632	19,291	200,911	2.91%
Lehigh Valley	0	28,905	28,195	9,562	62,448	15,395	26,526	8,518	24,064	1,771	4,019	19,007	228,410	3.31%
Alltoona	0	6,803	6,612	2,242	15,953	3,950	0	2,176	4,725	412	946	5,705	49,523	0.72%
Johnstown	0	9,326	9,066	3,075	13,957	3,507	0	2,331	5,342	375	1,108	6,797	54,883	0.79%
Centre County	0	7,957	7,694	2,609	10,486	2,615	0	2,471	5,725	187	1,338	5,330	46,413	0.67%
Williamsport	0	9,197	8,856	3,003	15,196	3,845	0	2,454	0	249	1,172	5,468	49,440	0.72%
Elie	0	13,943	13,458	4,564	14,863	3,727	0	4,235	10,431	1,574	1,942	9,555	78,291	1.13%
Lancaster	0	25,721	25,329	8,590	40,675	10,176	15,706	7,253	19,313	1,277	3,377	16,755	174,172	2.52%
York	0	21,402	20,677	7,012	19,142	4,765	0	6,244	16,172	1,349	2,873	12,883	112,517	1.63%
Reading	0	20,294	19,811	6,719	66,736	16,351	11,518	6,272	15,297	947	2,718	14,487	181,149	2.62%
Lebanon	0	6,459	6,276	2,128	9,987	2,462	0	2,197	4,966	351	916	4,368	40,111	0.58%
SVATS	0	7,687	7,437	2,522	22,542	5,546	2,094	2,641	4,337	630	945	6,321	62,702	0.91%
Total Urban	0	511,357	495,662	168,100	1,098,532	271,177	349,021	140,764	407,014	23,231	70,463	370,193	3,905,514	56.56%
Northwest	0	24,795	23,715	8,043	50,206	12,408	0	6,519	0	914	2,811	14,334	143,745	2.08%
Northcentral	0	23,800	22,784	7,727	65,430	16,055	0	6,292	3,035	1,025	3,370	16,522	166,040	2.40%
Northern Tier	0	29,724	28,103	9,531	43,177	10,809	0	5,987	4,224	217	2,664	14,361	148,798	2.15%
Southern Allegh.	0	23,117	22,120	7,502	41,368	10,313	0	6,029	0	1,011	2,471	14,716	128,646	1.86%
NEPA	0	33,406	32,103	10,888	73,148	17,897	0	10,254	8,741	450	4,082	19,186	210,155	3.04%
SEDA-COG	0	30,198	29,160	9,890	72,077	17,946	0	8,273	0	1,829	3,554	17,801	190,728	2.76%
Adams	0	7,703	7,526	2,552	11,352	2,796	0	2,058	3,770	354	796	4,211	43,118	0.62%
Franklin	0	8,791	8,476	2,875	9,611	2,380	0	2,730	5,563	610	1,176	5,075	47,286	0.68%
Total Rural	0	181,533	173,986	59,006	366,369	90,604	0	48,143	25,333	6,409	20,925	106,207	1,078,516	15.62%
Interstate Program	871,031	64,370	0	103,933	334,110	37,123	0	0	0	0	0	63,600	1,474,168	21.35%
SRTS* Reserve	0	0	0	0	0	0	0	0	0	0	25,301	0	25,301	0.37%
Appalachian Dev.	0	0	0	0	0	0	0	0	0	0	0	0	421,975	6.11%
Grand Total	871,031	757,260	669,648	331,040	1,799,012	398,904	349,021	188,906	432,347	29,640	116,689	540,000	6,905,473	100.00%

* SRTS = Federal Safe Routes to School

Appendix 3
State Transit Funds
 Estimated Total Funding (\$000) 2013-2016

	OPERATOR	Asset Improvement		Capital# Improvement	Operating+ Assistance	JARC	New Freedoms	Total
		Bond	Discretionary *					
URBAN	SEPTA	336,000	0	196,972	2,068,088	17,036	1,104	2,619,200
	PAAC	120,000	0	40,036	737,832	9,380	1,112	908,360
	AMTRAN -- Blair	0	0	432	9,548	0	0	9,980
	BARTA -- Berks	0	0	1,828	27,792	0	0	29,620
	BCTA -- Beaver	0	0	524	11,024	0	0	11,548
	CAT -- Dauphin	0	0	1,608	25,668	0	0	27,276
	CATA -- Centre	0	0	4,436	13,512	0	0	17,948
	CCTA -- Cambria	0	0	724	17,680	0	0	18,404
	COLTS -- Lackawanna	0	0	1,068	25,344	0	0	26,412
	EMTA Erie	0	0	1,864	27,268	0	0	29,132
	Fayette County	0	0	72	2,332	0	0	2,404
	HPT -- Hazleton	0	0	124	6,244	0	0	6,368
	LANTA -- Lehigh-Northampton	0	0	3,452	46,564	0	0	50,016
	LCTA -- Luzerne	0	0	996	19,508	0	0	20,504
	COLT -- Lebanon	0	0	180	5,404	0	0	5,584
	MMVTA -- Mid Mon Valley	0	0	264	8,500	0	0	8,764
	Pottstown	0	0	168	3,756	0	0	3,924
	RRTA -- Lancaster	0	0	1,136	17,760	0	0	18,896
	SVSS -- Shenango Valley	0	0	56	2,596	0	0	2,652
	Washington	0	0	28	3,824	0	0	3,852
	WBT -- Williamsport	0	0	796	12,924	0	0	13,720
	WCTA -- Westmoreland	0	0	228	6,276	0	0	6,504
	YCTA -- York	0	0	836	14,648	0	0	15,484
Unallocated	20,000	0	0	0	0	0	20,000	
	Urban Total	476,000	0	257,828	3,114,092	26,416	2,216	3,876,552
RURAL	ATA	0	0	196	12,792	0	0	12,988
	BCTA -- Beaver	0	0	12	960	0	0	972
	BTA -- Butler	0	0	144	2,364	0	0	2,508
	Carbon	0	0	8	808	0	0	816
	CATA -- Crawford	0	0	132	2,004	0	0	2,136
	CCTA -- Cambria	0	0	64	5,656	0	0	5,720
	DUFAST	0	0	36	1,792	0	0	1,828
	EMTA -- Endless Mtns.	0	0	76	2,212	0	0	2,288
	ICTA -- Indiana	0	0	288	3,924	0	0	4,212
	MCTA -- Monroe	0	0	144	6,588	0	0	6,732
	Mid-County -- Armstrong	0	0	28	2,008	0	0	2,036
	Mt. Carmel	0	0	36	1,136	0	0	1,172
	NCATA -- New Castle	0	0	696	14,088	0	0	14,784
	STS -- Schuylkill	0	0	152	5,412	0	0	5,564
	TAWC -- Warren	0	0	44	2,052	0	0	2,096
	VCTO -- Venango	0	0	32	1,072	0	0	1,104
	WCTA -- Westmoreland	0	0	52	3,284	0	0	3,336
	YCTA -- York	0	0	32	1,332	0	0	1,364
	Unallocated	0	0	0	0	0	0	0
		Rural Total	0	0	2,172	69,484	0	0
	Reserve	24,000	0	0	0	0	0	24,000
	Other Unallocated (Urban/Rural)	0	0	18,727	204,038	7,888		230,653
	GRAND TOTAL	500,000	0	278,727	3,387,614	36,520		4,202,861

* Discretionary Asset Improvement funding will decrease to \$0 million in SFY 2010-11 if there is no action on tolling, leasing of the turnpike or legislative action.

Capital Improvement (formula distribution) is expected to grow at an average annual rate of 2% (depending on Sales and Use Tax receipts).

+ The distribution of Operating Assistance funding in this chart is based on SFY 2009-10. Total funding is expected to increase by approximately 2% annually (depending on Sales and Use Tax receipts).

Federal Transit	FY 2013					
Urban Area	Urbanized Area (5307 & 5340)	Non Urbanized 5311	Fixed Guideway Modernization	Formula JARC	New Freedoms	Total
Allentown-Bethlehem***	7,535	0	0	277	191	8,003
Altoona*	1,162	0	0	0	0	1,162
Erie*	3,218	0	0	0	0	3,218
Harrisburg***	5,283	0	0	152	113	5,548
Hazleton*	662	0	0	0	0	662
Johnstown*	1,276	0	0	0	0	1,276
Lancaster**	7,416	0	0	140	104	7,660
Lebanon*	1,037	0	0	0	0	1,037
Monessen*	1,243	0	0	0	0	1,243
Philadelphia***	94,574	0	94,488	2,155	1,322	192,539
Pittsburgh***	29,309	0	22,323	968	608	53,208
Pottstown*	836	0	0	0	0	836
Reading**	3,206	0	0	139	86	3,431
Scranton/Wilkes-Barre***	4,267	0	0	247	167	4,681
Sharon*	504	0	0	0	0	504
State College*	2,176	0	0	0	0	2,176
Uniontown-Connellsville*	998	0	0	0	0	998
Williamsport*	1,738	0	0	0	0	1,738
York	2,673	0	0	0	0	2,673
Unallocated Small Urban	0	0	0	1,076	658	1,734
Unallocated Non Urbanized	0	7,000	0	1,276	809	9,085
TOTALS	169,113	7,000	116,811	6,430	4,058	303,412

* Systems that can use their federal section 5307 funds for operating assistance

** Systems that can only use 25% of their federal 5307 funds for operating assistance

*** Systems having over 200,000 urbanized area are not able to use their federal section 5307 funds for operating assistance

Federal Transit		FY 2014				
Urban Area	Urbanized Area (5307 & 5340)	Non Urbanized 5311	Fixed Guideway Modernization	Formula JARC	New Freedoms	Total
Allentown-Bethlehem***	7,535	0	0	277	191	8,003
Altoona*	1,162	0	0	0	0	1,162
Erie*	3,218	0	0	0	0	3,218
Harrisburg***	5,283	0	0	152	113	5,548
Hazleton*	662	0	0	0	0	662
Johnstown*	1,276	0	0	0	0	1,276
Lancaster**	7,416	0	0	140	104	7,660
Lebanon*	1,037	0	0	0	0	1,037
Monessen*	1,243	0	0	0	0	1,243
Philadelphia***	94,574	0	94,488	2,155	1,322	192,539
Pittsburgh***	29,309	0	22,323	968	608	53,208
Pottstown*	836	0	0	0	0	836
Reading**	3,206	0	0	139	86	3,431
Scranton/Wilkes-Barre***	4,267	0	0	247	167	4,681
Sharon*	504	0	0	0	0	504
State College*	2,176	0	0	0	0	2,176
Uniontown-Connellsville*	998	0	0	0	0	998
Williamsport*	1,738	0	0	0	0	1,738
York	2,673	0	0	0	0	2,673
Unallocated Small Urban	0	0	0	1,076	658	1,734
Unallocated Non Urbanized	0	7,000	0	1,276	809	9,085
TOTALS	169,113	7,000	116,811	6,430	4,058	303,412

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Federal Transit		FY 2015				
Urban Area	Urbanized Area (5307 & 5340)	Non Urbanized 5311	Fixed Guideway Modernization	Formula JARC	New Freedoms	Total
Allentown-Bethlehem***	7,535	0	0	277	191	8,003
Altoona*	1,162	0	0	0	0	1,162
Erie*	3,218	0	0	0	0	3,218
Harrisburg***	5,283	0	0	152	113	5,548
Hazleton*	662	0	0	0	0	662
Johnstown*	1,276	0	0	0	0	1,276
Lancaster**	7,416	0	0	140	104	7,660
Lebanon*	1,037	0	0	0	0	1,037
Monessen*	1,243	0	0	0	0	1,243
Philadelphia***	94,574	0	94,488	2,155	1,322	192,539
Pittsburgh***	29,309	0	22,323	968	608	53,208
Pottstown*	836	0	0	0	0	836
Reading**	3,206	0	0	139	86	3,431
Scranton/Wilkes-Barre***	4,267	0	0	247	167	4,681
Sharon*	504	0	0	0	0	504
State College*	2,176	0	0	0	0	2,176
Uniontown-Connellsville*	998	0	0	0	0	998
Williamsport*	1,738	0	0	0	0	1,738
York	2,673	0	0	0	0	2,673
Unallocated Small Urban	0	0	0	1,076	658	1,734
Unallocated Non Urbanized	0	7,000	0	1,276	809	9,085
TOTALS	169,113	7,000	116,811	6,430	4,058	303,412

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Federal Transit	FY 2016					
Urban Area	Urbanized Area (5307 & 5340)	Non Urbanized 5311	Fixed Guideway Modernization	Formula JARC	New Freedoms	Total
Allentown-Bethlehem***	7,535	0	0	277	191	8,003
Altoona*	1,162	0	0	0	0	1,162
Erie*	3,218	0	0	0	0	3,218
Harrisburg***	5,283	0	0	152	113	5,548
Hazleton*	662	0	0	0	0	662
Johnstown*	1,276	0	0	0	0	1,276
Lancaster**	7,416	0	0	140	104	7,660
Lebanon*	1,037	0	0	0	0	1,037
Monessen*	1,243	0	0	0	0	1,243
Philadelphia***	94,574	0	94,488	2,155	1,322	192,539
Pittsburgh***	29,309	0	22,323	968	608	53,208
Pottstown*	836	0	0	0	0	836
Reading**	3,206	0	0	139	86	3,431
Scranton/Wilkes-Barre***	4,267	0	0	247	167	4,681
Sharon*	504	0	0	0	0	504
State College*	2,176	0	0	0	0	2,176
Uniontown-Connellsville*	998	0	0	0	0	998
Williamsport*	1,738	0	0	0	0	1,738
York	2,673	0	0	0	0	2,673
Unallocated Small Urban	0	0	0	1,076	658	1,734
Unallocated Non Urbanized	0	7,000	0	1,276	809	9,085
TOTALS	169,113	7,000	116,811	6,430	4,058	303,412

* Systems that can use their federal section 5307 funds for operating assistance

** Systems that can only use 25% of their federal 5307 funds for operating assistance

*** Systems having over 200,000 urbanized area are not able to use their federal section 5307 funds for operating assistance

Federal Transit	Total FY 2013 - FY 2016					
Urban Area	Urbanized Area (5307 & 5340)	Non Urbanized 5311	Fixed Guideway Modernization	Formula JARC	New Freedoms	Total
Allentown-Bethlehem***	30,140	0	0	1,108	764	32,012
Altoona*	4,648	0	0	0	0	4,648
Erie*	12,872	0	0	0	0	12,872
Harrisburg***	21,132	0	0	608	452	22,192
Hazleton*	2,648	0	0	0	0	2,648
Johnstown*	5,104	0	0	0	0	5,104
Lancaster**	29,664	0	0	560	416	30,640
Lebanon*	4,148	0	0	0	0	4,148
Monessen*	4,972	0	0	0	0	4,972
Philadelphia***	378,296	0	377,952	8,620	5,288	770,156
Pittsburgh***	117,236	0	89,292	3,872	2,432	212,832
Pottstown*	3,344	0	0	0	0	3,344
Reading**	12,824	0	0	556	344	13,724
Scranton/Wilkes-Barre***	17,068	0	0	988	668	18,724
Sharon*	2,016	0	0	0	0	2,016
State College*	8,704	0	0	0	0	8,704
Uniontown-Connellsville*	3,992	0	0	0	0	3,992
Williamsport*	6,952	0	0	0	0	6,952
York	10,692	0	0	0	0	10,692
Unallocated Small Urban	0	0	0	4,304	2,632	6,936
Unallocated Non Urbanized	0	28,000	0	5,104	3,236	36,340
TOTALS	676,452	28,000	467,244	25,720	16,232	1,213,648

* Systems that can use their federal section 5307 funds for operating assistance

** Systems that can only use 25% of their federal 5307 funds for operating assistance

*** Systems having over 200,000 urbanized area are not able to use their federal section 5307 funds for operating assistance

Appendix 5
2013-2016 Federal and State Transit Funding by Region
(\$000)

Region	2013			2014			2015			2016			TOTAL		
	Federal Transit	State Transit	Total	Federal Transit	State Transit	Total	Federal Transit	State Transit	Total	Federal Transit	State Transit	Total	Federal Transit	State Transit	Total
Delaware Valley	193,375	655,781	849,156	193,375	655,781	849,156	193,375	655,781	849,156	193,375	655,781	849,156	773,500	2,623,124	3,396,624
Southwest Penna	55,449	242,320	297,769	55,449	242,320	297,769	55,449	242,320	297,769	55,449	242,320	297,769	221,796	969,280	1,191,076
Harrisburg	5,548	6,819	12,367	5,548	6,819	12,367	5,548	6,819	12,367	5,548	6,819	12,367	22,192	27,276	49,468
Scranton/WB	5,343	13,321	18,664	5,343	13,321	18,664	5,343	13,321	18,664	5,343	13,321	18,664	21,372	53,284	74,656
Lehigh Valley	8,003	12,504	20,507	8,003	12,504	20,507	8,003	12,504	20,507	8,003	12,504	20,507	32,012	50,016	82,028
Altoona	1,162	2,495	3,657	1,162	2,495	3,657	1,162	2,495	3,657	1,162	2,495	3,657	4,648	9,980	14,628
Johnstown	1,276	6,031	7,307	1,276	6,031	7,307	1,276	6,031	7,307	1,276	6,031	7,307	5,104	24,124	29,228
Centre County	2,176	4,487	6,663	2,176	4,487	6,663	2,176	4,487	6,663	2,176	4,487	6,663	8,704	17,948	26,652
Williamsport	1,738	3,430	5,168	1,738	3,430	5,168	1,738	3,430	5,168	1,738	3,430	5,168	6,952	13,720	20,672
Erie	3,218	7,283	10,501	3,218	7,283	10,501	3,218	7,283	10,501	3,218	7,283	10,501	12,872	29,132	42,004
Lancaster	7,660	4,724	12,384	7,660	4,724	12,384	7,660	4,724	12,384	7,660	4,724	12,384	30,640	18,896	49,536
York	2,673	4,212	6,885	2,673	4,212	6,885	2,673	4,212	6,885	2,673	4,212	6,885	10,692	16,848	27,540
Reading	3,431	7,405	10,836	3,431	7,405	10,836	3,431	7,405	10,836	3,431	7,405	10,836	13,724	29,620	43,344
Lebanon	1,037	1,396	2,433	1,037	1,396	2,433	1,037	1,396	2,433	1,037	1,396	2,433	4,148	5,584	9,732
SVATS	504	663	1,167	504	663	1,167	504	663	1,167	504	663	1,167	2,016	2,652	4,668
Total Urban	292,593	972,871	1,265,464	292,593	972,871	1,265,464	292,593	972,871	1,265,464	292,593	972,871	1,265,464	1,170,372	3,891,484	5,061,856
Northwest	0	1,334	1,334	0	1,334	1,334	0	1,334	1,334	0	1,334	1,334	0	5,336	5,336
Northcentral	0	3,704	3,704	0	3,704	3,704	0	3,704	3,704	0	3,704	3,704	0	14,816	14,816
Northern Tier	0	572	572	0	572	572	0	572	572	0	572	572	0	2,288	2,288
Southern Allegh.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NEPA	0	3,278	3,278	0	3,278	3,278	0	3,278	3,278	0	3,278	3,278	0	13,112	13,112
SEDA-COG	0	293	293	0	293	293	0	293	293	0	293	293	0	1,172	1,172
Adams	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Franklin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Rural	0	9,181	9,181	0	9,181	9,181	0	9,181	9,181	0	9,181	9,181	0	36,724	36,724
Unallocated	3,819	35,620	39,439	3,819	53,410	57,229	3,819	71,557	75,376	3,819	90,066	93,885	15,276	250,653	265,929
Reserve	0	6,000	6,000	0	6,000	6,000	0	6,000	6,000	0	6,000	6,000	0	24,000	0
Grand Total	296,412	1,023,672	1,320,084	296,412	1,041,462	1,331,874	296,412	1,059,609	1,350,021	296,412	1,078,118	1,368,530	1,185,648	4,202,861	5,364,509

* Section 5311 Federal Funding is discretionary and based on annual approval of budget deficits up to total amount appropriated for Pennsylvania.

APPENDIX 6

SCHEDULE FOR DEVELOPING & APPROVING THE 2013 TRANSPORTATION PROGRAM

- By 4/29/11 General and Procedural Guidance and Schedule for Developing and approving the 2013 Transportation Program are finalized.
- By 6/3/11 Draft Financial Guidance is issued.
- By 6/17/11 A conference call with all Planning Partners' and Districts is held. Department program priorities are shared along with draft financial guidance. The goal is to reach consensus on the guidance.
- By 6/24/11 The Department issues final guidance to planning partners for the development of the 2013 Program.
- By 6/24/11 The Department shares the 2013 Interstate Capital Plan with planning partners.
- By 7/29/11 Linking Planning and NEPA Training completed for Planning Partners and Department staff.
- By 7/29/11 Linking Planning and NEPA database operational for data input.
- 8/11/11 to 9/16/11 State Transportation Commission, PennDOT and planning partners conduct public hearings for the update of the 12 Year Program. Environmental justice (EJ) activities are also initiated.
- By 9/23/11 PennDOT Districts will provide updates of scopes, costs, and schedules for all carryover projects and candidate projects to planning partners.
- By 10/3/11 PennDOT District project priorities are shared with planning partners. PennDOT will provide the MPO/RPOs with a listing of the draft Interstate Management Program projects.
- 10/19/11 to 10/21/11 A three-day Planning Partners' Meeting is held in State College to discuss the program update process and other transportation issues.
- By 12/2/11 MPOs/RPOs/PennDOT review highway, bridge and transit projects for possible inclusion in the 2013 Program. TIP negotiations begin.
- On 12/8/11 State Transportation Commission meets and is updated on development of the 2013 Program.
- By 12/30/11 MPO and RPO "Boards" meet to discuss the 2013 schedule and guidance; set their TIP approval meeting dates for the spring of 2012.

- By 12/30/11 MPOs and RPOs develop draft TIPs (highways/bridges and transit) and submit that information to the Program Center, appropriate District Office(s) and FHWA/FTA. TIP negotiations continue.
- By 1/13/12 Program Center completes initial review of preliminary draft TIPs to ensure that Department priorities are reflected, fiscal constraint and year of expenditure are met, and all project phases are accounted for and programmed in the proper year.
- By 1/27/12 Program Center conducts individual meetings with MPOs, RPOs, and District Offices to review all candidate projects, to agree on projects for inclusion in the Program, and to negotiate/resolve any remaining issues.
- By 1/30/12 Interagency (FHWA, FTA, EPA & PennDOT) air quality consultation initiated. All air quality significant projects are shared with FHWA, FTA and EPA before conformity determination work begins by planning partners or PennDOT. TIP negotiations continue.
- By 2/10/12 PennDOT, via the Program Center, submits comments and proposed program revisions back to the MPOs and RPOs, including the final “spike” decisions, and share this information with the Districts and FHWA/FTA. PennDOT identifies any changes to air quality significant project lists that were developed earlier and shares this information through interagency consultation with the PA Air Quality Conformity Working Group.
- By 3/2/12 All negotiations are concluded. MPOs, RPOs, and PennDOT reach agreement on the respective portions of the Program.
- By 3/2/12 Interagency air quality consultations are concluded and conformity analyses are underway.
- By 5/18/12 MPO, RPO and PennDOT complete air quality conformity analyses.
- By 7/20/12 MPOs, RPOs, and PennDOT complete joint public comment periods on their STIP/TIPs, including conformity determinations and environmental justice requirements. All relevant documents are placed on websites for public access.
- By 7/27/12 MPOs and RPOs formally approve their individual TIPs and submit their portions of the Program to the Program Center
- By 8/9/12 State Transportation Commission approves the Twelve Year Program.
- By 8/15/12 Gov./Secretary on behalf of the Commonwealth submits the STIP to FHWA/FTA for review and approval. FHWA coordinates with EPA on the air quality conformity documents.
- By 9/28/12 PennDOT obtains joint approval from FHWA and FTA on the 2013 Program.

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PENNSYLVANIA'S 2013 TRANSPORTATION PROGRAM GENERAL AND PROCEDURAL GUIDANCE

The official state programming document is the Twelve Year Transportation Program. The development and update of this program is guided by Act 120 of 1970 which established the State Transportation Commission (STC) and its related duties and responsibilities. The STC adopts the Twelve Year Program.

The official Federal programming document is the Statewide Transportation Improvement Program (STIP). The STIP includes the Metropolitan Planning Organization (MPO) Transportation Improvement Programs (TIPs). The Commonwealth has fifteen MPOs, not including the small pieces of urbanized areas that extend into Pennsylvania (for example, Hagerstown, MD or Binghamton, NY). MPOs are county and regional bodies covering all urbanized areas over 50,000 population. MPOs are mandated to establish and carry out a cooperative, continuous, and comprehensive planning process in order to meet various planning and programming responsibilities that were established in legislation, like the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) and the Clean Air Act. The MPOs develop and approve Transportation Improvement Programs. The Governor or his designee (currently the Secretary of the Pennsylvania Department of Transportation) must also approve the metropolitan TIPs and submit the entire STIP to the US Department of Transportation for their approval.

The STIP also includes projects from the rural portion of the state. PennDOT and the eight Rural Planning Organizations (RPOs) under contract to PennDOT) are jointly developing and approving rural TIPs. Therefore, for transportation planning and programming purposes, the eight RPOs are presently functioning as MPOs. The Governor or his designee also approves these rural TIPs, as well as the overall STIP.

The words “2013 Transportation Program” or “2013 Program” in the general and procedural guidance refer to both of the following project listings:

- the 2013-2024 Twelve Year Program and
- the 2013-2016 Statewide Transportation Improvement Program.

The word “partners” in the following guidance includes the State Transportation Commission, the Pennsylvania Department of Transportation on behalf of the Governor, the Metropolitan Planning Organizations and Rural Planning Organizations, public transportation properties across the Commonwealth, the Pennsylvania Turnpike Commission, the Pennsylvania Department of Environmental Protection, the U.S. Department of Transportation (Federal Highway Administration and Federal Transit Administration) and the U.S. Environmental Protection Agency (EPA).

The words “interested parties” in the following guidance means citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, agencies or entities responsible for safety/security operations, providers of non-emergency transportation services receiving financial assistance from a source other than title 49, U.S.C., Chapter 53, tribal governments, and other interested parties with reasonable opportunities to be involved in the metropolitan transportation planning process.

GENERAL AND PROCEDURAL GUIDANCE FOR THE DEVELOPMENT OF THE 2013 TRANSPORTATION PROGRAM

PURPOSES/OBJECTIVES:

- Program strategically; establish priorities; select transportation improvements with the greatest benefit to the Commonwealth and individual counties/regions; and give all partners the flexibility to more effectively choose and approve the best mix of projects that meet their own varied needs. Transportation system preservation and management continues to be the highest priority in Pennsylvania and the individual MPO/RPO programs should emphasize system preservation and management. System preservation involves extending the life of existing facilities and their associated equipment and hardware or the repair of damage that impedes mobility or compromises safety; while, system management involves improving the reliability, safety, traffic flow, and security of existing facilities and their associated equipment and hardware. It is recommended that planning regions strive for, at least 90% of a MPO/RPO's program resources be dedicated to system preservation including 85% of bridge improvement resources directed toward addressing structurally deficient bridges.
- Strengthen the linkage between land use and transportation decision-making during the development of the 2013 Transportation Program and continue to work to improve this integration process in future years. This linkage can take many forms, including supporting in-fill, access management, brownfield or grayfield site development, implementing projects that enhance KOZs/KIZs, helping blighted communities with transportation projects/services, encouraging collaboration among governments or coordinating with the Governor's many other initiatives. The Commonwealth of Pennsylvania Keystone Principles for Growth, Investment and Resource Conservation should be considered in the establishment of program priorities and included as part of project selection criteria.
- Utilize the Project Development Screening Forms developed from the Department's Linking Planning and NEPA effort to initiate all new projects being considered for a region's Long Range Transportation Plan and 2013–2016 Transportation Improvement Program.
- Develop required transportation programs that contribute to achieving the tenets in state Act 120 and the Federal transportation laws and regulations and to achieving the goals and objectives expressed in the Commonwealth's Long Range Transportation Plan (Pennsylvania Mobility Plan), in individual county/regional long range transportation plans, in bicycle/pedestrian plans and other key documents.
- Draw candidate major capital and/or air quality non-exempt projects from existing long range transportation plans for inclusion in the transportation program.
- Implement processes and procedures that enhance State, Metropolitan Planning Organization and Rural Planning Organization application and enforcement of effective fiscal constraint with regard to long range planning and short range programming.
- Continue to advance joint partner agency public participation outreach activities. When possible, look to establish joint MPO/RPO TIP and PennDOT STIP public comment periods.
- Continue to share project-specific data, especially as it relates to candidate projects that surface through individual partner activities including their public participation plans/outreach that are not included on current long range plans or programs.

TIMING:

- Update the Twelve Year Program, the Statewide Transportation Improvement Program, the Metropolitan Planning Organization and Rural Planning Organization Transportation Improvement Programs every two years in a coordinated fashion.
- Federal programming documents will cover a four year time frame to remain consistent with the first four years of the Twelve Year Program and the first four years of the MPO/RPO long range transportation plan.
- Metropolitan Planning Organizations and Rural Planning Organizations should schedule their TIP approval meeting dates so that air quality conformity analyses by PennDOT's consultants can be properly scheduled and the MPO/RPO TIPs can be sent to PennDOT according to the attached schedule.
- As necessary, respond to new State and Federal initiatives and any other changing circumstances as quickly as possible and make necessary adjustments to the joint PennDOT/MPO/RPO planning and programming process.

COORDINATION:

- Develop the STIP and MPO/RPO TIPs among all partners and interested parties through a continuing, coordinated and collaborative process, based upon mutual trust, data sharing (including project technical evaluation input needs), open communication and cooperation at each program development step, leading toward consensus between all planning partners regarding the most effective use of the limited transportation financial resources.
- Share project and program data bases among all parties including project technical evaluation input needs.
- Projects shall be consistent with the county and/or regional comprehensive and long range transportation plans.
- Carry out statewide programming and metropolitan/rural programming in conjunction with the update of the Twelve Year Program, the individual MPO/RPO TIPs, and the resultant STIP.
- Ensure effective coordination of the transportation programming process with the providers of all the modes of transportation.
- PennDOT and its planning partners will update the Interstate Management Program for the 2013 Transportation Program. Planning partners and the District Offices will help to identify and comment on the interstate projects through the development of the 2013 Transportation Program. Added capacity to an interstate within a region can be done with cost sharing between the MPO/RPO's and the Department. PennDOT will manage the interstate system on a statewide basis, but will notify MPO/RPOs of Interstate Management Program amendments and modifications even when formal approval is not required.

PUBLIC INVOLVEMENT:

- Conduct meaningful public outreach and involvement activities as documented in both the individual planning partner's public participation plan and PennDOT's Statewide Public Participation Plan.
- Meet all Federal and state mandates, including Title VI and environmental justice requirements.
- Public involvement activities will be coordinated among all affected partners and will be consolidated whenever possible to avoid overlap, maximize return from joint outreach, and avoid confusion to the public and result in most effective and efficient use of labor across all planning partners. Conduct joint STC/MPO/RPO public hearings to gather early input to the program development process.
- Seek early and coordinated input into the programming process by reviewing currently programmed and candidate projects.
- After each draft TIP is reconciled and is ready for one last round of public involvement, at a minimum, the following draft TIP documentation needs to be made available for public comment – (1) highway and bridge program project listing (public version with long narratives); (2) public transportation program project listing (public version with long narratives); (3) highway, bridge and transit financial guidance (4) public transportation financial capacity analysis (MPOs only); (5) air quality conformity determination report in non-attainment and maintenance areas only; (6) draft TIP modification procedures; and (7) environmental justice (EJ) analysis (community profiles and methodology); (8) current public participation plan; (9) TIP technical project prioritizing process. A formal public comment time period (minimum 30 days) needs to be established, and a public meeting or hearing needs to be held by each MPO/RPO to gather any comments/concerns on the TIP and related documents.
- Provide easy and complete access to all public documents, including the draft and final TIPs, STIP and Twelve Year Program project listings, taking particular advantage of the Internet.

FINANCIAL GUIDANCE/FINANCIAL PLANS:

- The jointly developed and approved financial guidance will establish funding targets for each MPO, RPO, public transportation operator, and PennDOT. The guidance will provide sufficient information for the affected partners and interested parties to begin to identify projects, perform project technical evaluation, negotiate, and reach consensus on their portion of the Program within fiscal constraint.
- Address cash flow procedures, like highway advance construction and public transportation letters of no prejudice or full funding grant approvals in the program development process. Address projects with accrued unbilled costs (work on a project has been started/completed and all or a portion paid for in state or local funds, but the project is eligible for Federal funds and will be submitted to FTA or FHWA during program development for Federal funding or after the program is approved) as is appropriate. When projects in accrued unbilled status are being converted, the projects must appear on the area's Program.
- The TIPs and STIP shall include a project or a phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project based on the project phase begin and end dates. This shall include the estimated total cost of the project construction which may extend beyond the four years of the TIP and STIP and within the 2nd or 3rd period of the Twelve Year Transportation Program and the Long Range Transportation Program in accordance with 23 C.F.R. 450.324(i) & (e)(2).

- The TIP financial plans consolidated statewide in the STIP documentation shall contain system-level estimates of cost and revenue sources that are reasonably expected to be available to adequately operate and maintain Federal-aid highways and public transportation in accordance with 23 C.F.R. 450.324(h). In addition, identify any funding gaps that may exist at a systems-level.
- For illustrative purposes, the financial plan may (but is not required to) include additional projects that would be in the TIP if reasonable additional resources beyond those in the financial plan were to become available.

REQUIREMENTS:

- Satisfy all Federal and state planning and programming rules and regulations. Federal planning requirements are documented in 23 C.F.R. 450.
- Each project or project phase included in the TIP should be consistent with the approved region's long range plan.
- Provide written documentation of the MPO/RPO project prioritizing process utilized for TIP development and the Department's prioritizing process utilized for the Interstate Management Program.
- Include metropolitan and rural TIPs without modification in the STIP, once approved by the MPO or RPO and the Governor (or designee) and after verification of consistency with financial guidance on fiscal constraint, project funding eligibility and, where necessary, completed air quality testing and analysis that demonstrates that conformity has been met. All appropriate parties will be notified when individual projects or programs have been included in the Statewide Transportation Improvement Program. Close coordination must occur with PennDOT and the State Transportation Commission to insure that the approved Transportation Improvement Programs are consistent with the approved first four years of the Twelve Year Program.
- Perform air quality conformity analyses consistent with the U.S. Environmental Protection Agency's Transportation Conformity Rule, recent Federal court rulings and the Pennsylvania Transportation Conformity State Implementation Plan (SIP) in non-attainment and maintenance areas.
- Projects proposed to be funded with Federal Highway Safety Improvement Program (HSIP) funds will be coordinated with the individual MPO/RPO, PennDOT District, Program Center, and Bureau of Highway Safety and Traffic Engineering (BHSTE) and be consistent with Strike Off Letter 470-11-02 dated January 21, 2011, the District Safety Plan, and PennDOT's Strategic Highway Safety Plan. However, other Federal funding categories can be used to program, implement and construct projects that address a documented safety need.
- Intelligent Transportation System (ITS)-type projects will be consistent with the national, state and individual MPO/RPO ITS architectures. Work to advance transportation safety and operations initiatives that are consistent with the individual MPO/RPO Regional Operations Plans (ROP) and the Statewide Transportation Systems Operations Plan (TSOP).
- The limited number of capacity adding projects to be considered for advancement in nonattainment transportation management areas (TMAs) must be consistent with the Region's Congestion Management Process (CMP).

- Assign projects or phases of projects in the STIP and in the MPO/RPO TIPs by year (e.g., 2013, 2014, 2015, and 2016) based upon the latest project schedules and consistent with 23 C.F.R. 450.324(i).
- Provide updated cost estimates for each project, based on “year of expenditure” as well as detailed definitions of the projects. Constrain the projects and phases of projects in the STIP by year, by available funding and within the bounds of the financial guidance. Costs estimates must use “year of expenditure dollars” to reflect their cost. PennDOT will provide the MPO/RPOs with growth rates and a methodology for determining an inflation rate in the Financial Guidance.
- Include all regionally significant transportation projects being advanced (project that is on a facility which serves regional transportation needs and would normally be included in the modeling of the metropolitan area’s transportation network) as defined in 23 C.F.R. Section 450.104, regardless of their funding sources, in the STIP and in the MPO and RPO TIPs. This will include 100% state funded projects, private projects and Turnpike projects so the program and program modeling reflects the full range of improvements to be undertaken in a given metropolitan or rural area and across the state (excluding county maintenance and PA Turnpike maintenance funds). The Department will request a list of turnpike projects from the Turnpike Commission and distribute the list to all planning partners, in advance of Air Quality Conformity time line requirements, so the projects can be included in the appropriate Transportation Improvement Programs. Those Turnpike projects requesting Federal funding that are selected for inclusion on a TIP will be assigned MPMS numbers; those that have no Federal funding will need to be identified another way on the TIP.
- Provide the following project information in the program, including the Interstate Management Program and the Transit Program:
 - Sufficient descriptive (detailed) material to clarify the design concept and scope as well as location of the improvement. The MPO/RPO and District Office must collaborate on the detailed descriptive information and the District must ensure the information is input in the Public Narrative field in MPMS.
 - Estimated total costs within the TIP time period reflecting YOY.
 - Amount and category of Federal funds and non-federal funds to be obligated/encumbered each program year per project or phase of project; the total amount of funds already obligated or encumbered per project or phase of project, and the estimated amount for any phase beyond the TIP period.
 - Identification of the agency or agencies responsible for implementing the project or phase (i.e. Transit Agencies, PennDOT; MPOs/RPOs; Local Government and private partnerships).
- Work with all project sponsors to provide any additional information that needs to be included with each project as it is listed in the program.
- The appropriate portions of the attached metropolitan TIP checklist must be completed by each MPO/RPO/public transportation property(ies) and submitted to the Department with the approved TIP. Program Center staff will complete the remaining portions of the checklist and forward it to FHWA/FTA with the STIP. The Program Center will complete a statewide checklist similar to the metropolitan checklist and forward it to FHWA/FTA with the STIP.

- After each TIP is approved by an MPO/RPO, the following TIP documentation that needs to be submitted to PennDOT must include the following information – (1) cover letter which documents that the MPO/RPO adopted the TIP and on what date; (2) highway and bridge program project listing (public version with detailed narratives); (3) public transportation program project listing (public version with long narrative); (4) public transportation financial capacity analysis (MPOs only); (5) list important regional projects implemented from previous TIPs; (6) air quality conformity determination report in non-attainment areas only; (7) air quality resolution (nonattainment areas only); (8) self-certification resolution including significant documentation for non-TMA MPOs to indicate compliance (MPOs only); (9) TIP modification procedures; (10) documentation of the advertisement of the 30-day public comment period (consistent with the procedures in the MPO/RPO public participation plans and a list of comments received and responses to the comments); (11) environmental justice (EJ) summary; (12) documentation of the project prioritization and selection process and how it relates to the LRTP vision, goals and objectives; (13) public participation plan; (14) Highway, bridge and transit financial guidance; (15) General and Procedural Guidance (16) a list of major projects from the previous TIP that experienced significant delays, and (17) TIP checklist. Five copies of this information must be provided to the Program Center in PennDOT according to the attached schedule.

PROGRAM DEVELOPMENT:

- In order to adequately maintain, operate and preserve existing transportation facilities, the Department and its partners shall undertake the following activities: inventory the system; determine existing conditions; develop strategies/priorities to continue to improve the system; include projects on transportation programs; and implement projects as part of annual budgets.
- The Districts will develop a list of priority needs for the operation and preservation of the interstates and expressways, betterments, bridge replacements, rehabilitation and preservation projects, and safety and congestion reduction projects, and will share that information with the appropriate MPOs and RPOs according to the attached schedule, including sufficient detail for each project needed for technical project evaluation for both air quality conformity analysis and for public review and comment. At a minimum this includes detailed project scope and limits. Together with local priorities, this information will serve as the basis to begin the 2013 Program development.
- The management and monitoring systems, corridor studies, Project Development Screening Forms developed from the Department's Linking Planning and NEPA, needs and feasibility studies and environmental clearance documents will be used as decision-support tools in the development of long range transportation plans and short range programs.
- Include all types and categories of projects on the TIP (Federal, state, local, private and private partnership, special Federal, turnpike, airport, rail, infrastructure bank, etc.) and in the Twelve Year Transportation Program.
- Public transportation operators will coordinate and cooperate with the MPO/RPO and the Department in the development of the public transportation portion of the 2013 Transportation Program. Public transportation operators will be responsible for submitting public transportation projects for the draft Transportation Program consistent with available resources.
- Flexing of funds between highway and public transportation will be a collaborative decision involving local officials, the Metropolitan Planning Organization, Rural Planning Organization, the public transportation agency or agencies, PennDOT, STC and USDOT (FHWA and FTA).

- Utilize innovative financing mechanisms, as appropriate and applicable, to increase the effectiveness of the program and to maximize the return from the limited Federal/state resources.
- Continue to standardize programming products (highway and public transportation project listings); develop uniform submissions to simplify reviews; and automate/computerize the programming process over time.
- The use of Reserve Line items programmed on the draft 2013-2016 TIP should be kept to a minimum. Betterment line items are appropriate as well as contingency line item in the first year of the TIP. Every effort should be made to identify TE, CMAQ, Local; Safety and Bridge Preservation projects in the first 2 years of the TIP.
- Projects that are air quality exempt (e.g., betterment, transportation enhancement, bridge, rail/highway grade crossing, Section 5310, etc.) may be grouped into line items for inclusion in the program, with project specific listings to be developed at a later time by project sponsors and provided to all partners.
- In all cases, projects to be included in the 2013 Transportation Program, including the Interstate Management Program, will be selected cooperatively and collaboratively by the Metropolitan Planning Organizations, Rural Planning Organizations, PennDOT and State Transportation Commission with input from other involved interested parties (transit operators, etc.), primarily with regard to projects in the TIPs/first four years of the Twelve Year Program.
- As each planning partner and PennDOT staff continue to refine and finalize the 2013 Program, special attention must be placed on projects or phases of projects that may be or will be carried over from the 2011 Program; this matter needs to be carefully considered during the October through mid-December 2011 time frame. Set asides (line item reserves) in the 2013 Program should also be considered to cover unforeseen project costs which may occur due to accrued unbilled costs, unforeseen advance construct authorizations, updated cost estimates, and other actions which might occur between program drafting and initiation.
- Planning partners (MPOs and RPOs) will assist the Department and the State Transportation Commission (STC) in the following ways regarding the remaining eight years in the Twelve Year Program. Phases of projects that are not fully funded in the four years of the TIP will be carried over and shown in the last eight years of the Twelve Year Program. The vast majority of the funds in the remaining eight years will be covered by line items. To illustrate the linkage between planning partner transportation long range plans and the 2013 Program, each planning partner will assist PennDOT staff and the STC in preparing a narrative that will be included in the Twelve Year Program document that illustrates a few of the major projects being advanced in that county or region over the next eight years and beyond. All air quality significant project to be advanced in the last eight years must be listed and fiscal constraint maintained.
- Seek early and coordinated input into the programming process by reviewing currently programmed and candidate projects for the remaining eight years of the Twelve Year Program. Planning partners may identify and propose projects or phases of projects from their fiscally constrained long range transportation plans to PennDOT/State Transportation Commission for possible inclusion in the remaining eight years of the Twelve Year Program. On a case by case basis, the Secretary of Transportation will recommend to the State Transportation Commission additional projects or phases of projects to be listed in the remaining eight years of the Twelve Year Program. These additional projects should be on or consistent with the MPO/RPO adopted Long Range Transportation Plan.

PROGRAM ADMINISTRATION:

- Recognize that programs are developed around available transportation funding authorization levels and that annual obligation authority levels will restrict program/project implementation. Projects or phases of projects should be programmed in the Federal fiscal year in which the project is anticipated to be obligated.
- Projects in the first year of the program shall constitute an "agreed to" list of projects for subsequent scheduling and implementation. Expedited selection procedures may be used if agreed to by each Metropolitan Planning Organization and Rural Planning Organization, via modification procedures. The modification procedures that were approved by each MPO and RPO for the 2011 Program should be used as a starting point for the development of each planning partner's 2013 Program modification procedures. The 2013 program modification procedures must also be part of the public comment period on the recommended 2013 program.
- It is recommended that project selection requirements and program modification procedures permit the movement of projects or phases of projects anywhere within the first four years of the Statewide Transportation Improvement Program or the Metropolitan Planning Organization/Rural Planning Organization Transportation Improvement Programs, while maintaining year by year financial constraints.
- Coordinate program amendments, including those for the Interstate Management Program, with all partners to insure that the metropolitan and rural Transportation Improvement Programs and the Statewide Transportation Improvement Program are consistent with the Twelve Year Program and county/regional long range plans and vice versa and work toward the development and implementation of streamlined amendment approval processes.

PROGRAM MONITORING AND PROJECT DELIVERY:

- Work toward more effective program and project monitoring that is done in "real time" through project database information sharing as a part of PennDOT's Multimodal Project Management System (MPMS).
- Track progress of program and project implementation and share the findings with the planning partners and the public. (This is a SAFETEA-LU requirement for state DOTs, MPOs and public transportation properties.) This is the MPO/RPO Progress Report detailing obligations that is sent by PennDOT to the MPOs/RPOs quarterly. An additional report detailing project completion and total cost will be developed by PennDOT and shared with Planning Partners of a quarterly basis.
- Utilize MPMS Maps mapping capabilities to better describe project/program details. Upon request, PennDOT will provide the GIS location data for projects to the MPO/RPO for its GIS use.
- MPOs and RPOs are encouraged to track major changes to county and municipal comprehensive plans and zoning ordinances to determine their effects on transportation planning and programming decision-making.
- MPOs and RPOs should identify meaningful Performance Measures to evaluate their planning efforts.
- Once finalized, all 2013 Program guidance and the 2013 Program development schedule will be placed on the PennDOT website, www.dot.state.pa.us.

SEPTA's Operating Assistance and Financial Capacity Analysis



SEPTA's Operating Assistance

Fiscal Year	State Funding	Local Funding
FY2013	\$522,304,284 State	\$78,345,643 Local
FY2014	\$532,750,370 State	\$79,912,556 Local
FY2015	\$543,405,377 State	\$81,510,807 Local
FY2016	\$544,492,188 State	\$83,141,023 Local
Total	\$2,142,952,219 State	\$322,910,029 Local

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Southeastern Pennsylvania Transportation Authority
Courtesy • Cleanliness • Communication • Convenience

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Vice Chairman

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Kevin L. Johnson
John I. Kane
Daniel J. Kubik
Kenneth Lawrence, Jr.
Charles H. Martin
Michael J. O'Donoghue


General Manager

Joseph M. Casey

May 22, 2012

Mr. Barry Seymour
Executive Director
Delaware Valley Regional Planning Commission
190 North Independence Mall West, 8th Floor
Philadelphia, PA 19106-1520

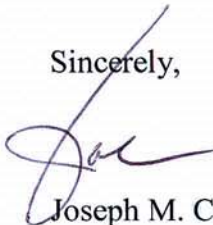
Re: SEPTA's Financial Capacity Assessment

Dear Mr. Seymour: 

In accordance with Federal Transit Administration Circular 7800.1A, attached is the requested financial capacity assessment documentation. The Southeastern Pennsylvania Transportation Authority has the financial capacity to carry out the operating and capital projects included in the Fiscal Year 2013-2016 Transportation Improvement Program (TIP).

Should you have any questions, please contact Catherine Popp-McDonough, Director of Capital Budget and Grant Development at 215-580-7374.

Sincerely,



Joseph M. Casey
General Manager

cc: Tony Cho, Federal Transit Administration

RECEIVED

MAY 22 2012

**DELAWARE VALLEY
REGIONAL PLANNING
COMMISSION**

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

In accordance with FTA Circular 7800.1A, the following is provided as documentation that the Southeastern Pennsylvania Transportation Authority has the financial capacity to carry out the operating and capital projects included in the Fiscal Year 2013-2016 Transportation Improvement Program.

A. Scope of Operations

The Southeastern Pennsylvania Transportation Authority (SEPTA) was formed by an act of the Pennsylvania General Assembly in 1964 in order to provide public transportation services to Bucks, Chester, Delaware, Montgomery and Philadelphia Counties. Over the years, SEPTA acquired the assets of several private transportation companies. Today, SEPTA is the sixth-largest transit system in the United States and is responsible for operating:

- 117 Bus Routes
- 8 Streetcar Rail (light rail) Lines
- 3 Trackless Trolley Routes
- 2 Subway/Elevated (heavy rail) Lines
- 1 Interurban High-Speed Line (heavy rail)
- 13 Regional Railroad (commuter rail) Lines
- Shared Ride service in the City of Philadelphia
- ADA Paratransit service throughout the five-county region

In Philadelphia, City Transit Operations provides a network of 84 subway, subway-elevated, trolley, trackless trolley and bus routes. In Fiscal Year 2011, approximately 927,000 (unlinked) passenger trips were generated per weekday.

SEPTA's Railroad Operations serves all five counties with a network of thirteen regional rail lines, serving approximately 124,000 (unlinked) passenger trips per weekday in Fiscal Year 2011. This service also operates to Newark, Delaware and to Trenton and West Trenton, New Jersey.

Suburban Operations (Victory and Frontier Divisions) provides service in the suburbs, north and west of the City of Philadelphia, with a network of 46 bus, trolley, and heavy rail routes serving approximately 71,000 (unlinked) passenger trips per weekday in Fiscal Year 2011.

Customized Community Transportation (CCT) serves Philadelphia and the surrounding counties and schedules approximately 7,300 customized weekday trips for seniors and persons with disabilities.

SEPTA's six small bus circulator and shuttle services connect fixed route operations to business, health and educational centers, as well as to park and ride facilities. In Fiscal Year 2011, these services provided transportation for approximately 4,000 passengers per weekday.

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

B. Historical Trends

SEPTA's historical trends are outlined in Appendix A, Financial and Statistical Summary, for each of the past five fiscal years, Fiscal 2007 through Fiscal 2011. Passenger fares during this period increased from \$342.8 million to \$438.0 million, or 6.9% per year. Operating expenses during the five year period increased from \$985.1 million to \$1,184.6 million, or 5.1% per year. Operating subsidies increased from \$541.7 million to \$693.6 million, or 7.0% per year, due in part to the new state Act 44 legislation enacted in Fiscal Year 2008. Operations for the Fiscal Years 2007 through 2011 resulted in a relatively small surplus each year as total revenues exceeded total expenses by \$2.1 million for the five year period. Fiscal Years 2010 and 2011 also reflect the gain or loss on investment related to the adoption of Governmental Accounting Standards Board Statement No. 53 in Fiscal Year 2010.

Transportation usage and services increased slightly during the five year period. The number of passengers carried increased from 321.8 million total unlinked passenger trips in FY 2007 to 358.8 million unlinked trips in FY 2011. Service supplied, in the form of total actual vehicle revenue miles, also increased for the five year period from 85.0 million to 89.7 million, or 1.4% per year.

SEPTA was able to meet its financial obligations during the five year period and its long-term debt, incurred for capital expenditures, decreased from \$366.1 million at June 30, 2007 to \$353.2 million at June 30, 2011. SEPTA's recovery ratio, expressed as a percentage of total operating revenues to total operating expenses, remained relatively high ranging between 38.8% and 45.0% during the five year period.

C. Current Condition

For FY 2011, the most recent fiscal year for which comparative information is available, total passenger fares increased 11.0% over the prior fiscal year. This increase was due to a fare increase effective July 1, 2010 and an increase in ridership of 5.2% that was partially impacted by a six-day transit work stoppage in November 2009. The ridership increase was also impacted by an increase in the price of gasoline which encouraged greater use of transit, along with a growing Center City population, and various service improvements. Operating expenses increased 3.2% primarily due to increases in wages, fringe benefits, fuel, electric, and claims costs. FY 2011 operating subsidies decreased 1.3% over FY 2010 primarily due to higher than expected passenger revenue that resulted from the ridership increase. FY 2011 ended with a relatively small surplus as total revenues exceeded total expenses by \$322 thousand.

The Authority projects that it will end Fiscal Year 2012 with unaudited financial results consistent with its balanced budget.

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

D. Financial Projections

With the passage of Act 44 of 2007, the Commonwealth of Pennsylvania created the Public Transportation Trust Fund. This legislation promised to end years of uncertainty with regard to SEPTA's operating subsidy. The growth potential of the new funding initially allowed SEPTA to project balanced budgets for the foreseeable future. However, subsidy levels have remained constant or declined since the Pennsylvania Turnpike Commission was unable to obtain approval to begin tolling Interstate 80 and a suitable alternative has yet to be found to fund statewide highway and public transportation systems. The problem is further exacerbated by state tax receipts, which have also not grown as originally expected. SEPTA projects that operating expenses will exceed available subsidy in Fiscal Year 2014 through 2018, unless an alternate source of funding is identified.

Appendix B, Financial Projections Consolidated Budget, provides the detailed projections through Fiscal Year 2018.

Forecast Assumptions By Category:

Passenger Revenue

The revenue growth for Fiscal Year 2013 includes the effect and continuation of ridership growth. Additional fare increases are projected for Fiscal Years 2014 and 2018.

Other Revenue

This revenue category is forecast to grow by approximately 10% over the five-year period. Income from advertising, parking lot fees, station naming rights and right-of-way leasing for fiber optics is reflected in this category. Investment income is also included.

Expenses

Due to historical trends, national healthcare mandates, and recent market pressures, medical, prescription drug coverage, and other fringe benefit costs are forecast to rise at a rate significantly higher than that of general inflation.

The Other Expense categories anticipate third party supplier's price increases. SEPTA has a one year diesel fuel contract in place until early Spring.

Subsidy

The subsidy categories reflect the anticipated growth potential of the Public Transportation Trust Fund and other subsidy sources.

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

E. Capital Program

The Fiscal Year 2013 Capital Budget was developed based on following principles:

- Forecasted Federal, State and Local Funding Levels; and
- Budgeting based on Annual Cashflow Projections and Financial Obligations.

Funding Assumptions

The following references were used to develop the programming amounts for SEPTA's Fiscal Year 2013 Capital Budget and Fiscal Years 2013-2024 Capital Program:

- Federal funding levels consistent with amounts received in FY 2011;
- Financial guidance for state funding from the Public Transportation Trust Fund; and
- City/Counties local match requirements on federal and state funding.

Fiscal Year 2013 Projects

The Fiscal Year 2013 Capital Budget consists of 15 capital projects totaling \$303.2 million. Projects highlighted by capital investment category are described below.

State of Good Repair

Projects programmed include Infrastructure Safety Renewal Program, Station and Parking Improvements Program, State of Good Repair Initiatives, and Lease of Amtrak Trackage.

Normal Replacement

Projects programmed include the Bus Purchase Program, Paratransit Vehicle Purchase, Utility Fleet Renewal, Silverliner V Rail Car Acquisition and the Vehicle Overhaul Program.

System Improvement

Projects programmed include New Payment Technologies, Station Accessibility Improvements, Regional Rail Signal System Modernization, System Improvements Program, and Safety and Security Improvements.

System Expansion

Projects programmed include Congestion Mitigation Activities.

F. Financial Capability

SEPTA has the financial capacity to carry out the projects included in the FY 2013-2016 Transportation Improvement Program (TIP).

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

SEPTA is designated by the Governor of Pennsylvania as the sole recipient of Section 5307 formula, Section 5316 Job Access and Reverse Commute (JARC) and Section 5317 New Freedom funds for the five-county Southeastern Pennsylvania region of Bucks, Chester, Delaware, Montgomery, and the City of Philadelphia. As such, the Authority submits, executes, and administers over \$300 million in federal and state grants annually. SEPTA's Fiscal Year 2011 Federal Transit Administration (FTA) Triennial Review reported no deficiencies. SEPTA is the first of the ten largest transit agencies to undergo a FTA Triennial Review with a "no deficiencies" determination.

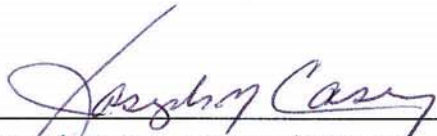
The Commonwealth of Pennsylvania's Public Transportation Trust Fund provides SEPTA with financial resources for transit capital projects. In order to create a sustainable program and to leverage transportation investments, the State of Pennsylvania has established the match requirement of the Federal grant commitments as a top priority of the State Trust Fund. Additionally, local governments, such as the City of Philadelphia and the Counties of Bucks, Chester, Delaware, and Montgomery contribute a percentage of the local share. This funding is provided through the Annual Capital Budget process for each government entity.

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

CERTIFICATION

In accordance with Circular 7800.1A and based on the updated operating and capital needs as outlined in this Financial Capacity Assessment, SEPTA certifies that it has the financial capacity to provide the services and capital projects included in the DVRPC FY 2013-2016 Transit Improvement Program (TIP).



Joseph M. Casey, General Manager
Southeastern Pennsylvania Transportation Authority

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY

FINANCIAL CAPACITY ASSESSMENT

May 18, 2012

Appendices

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FINANCIAL CAPACITY ASSESSMENT

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Appendix A - SEPTA Financial and Statistical Summary

Southeastern Pennsylvania Transportation Authority
 Financial and Statistical Summary
 For Fiscal Years Ended June 30,
 (Amounts in thousands)

	2007	2008	2009	2010	2011	% Change FY 2010 to FY 2011	Average Annual % Change FY 2007 to FY 2011
Passenger Fares	\$ 342,786	\$ 391,013	\$ 403,257	\$ 394,441	\$ 437,953	11.0%	6.9%
Senior Citizen and Shared Ride Subsidies (b)	67,401	21,357	20,530	20,226	20,130	-0.5%	-17.5%
Total Revenues Based on Ridership	410,187	412,370	423,787	414,667	458,083	10.5%	2.9%
Other Operating Revenues	33,539	39,279	32,846	31,181	33,198	6.5%	-0.3%
Total Operating Revenues	443,726	451,649	456,633	445,848	491,281	10.2%	2.7%
Operating Subsidies (b)	541,607	590,772	645,198	702,394	693,592	-1.3%	7.0%
Total Revenue	985,333	1,042,421	1,101,831	1,148,242	1,184,873	3.2%	5.1%
Operating Expenses (a)	985,146	1,041,623	1,101,497	1,147,754	1,184,551	3.2%	5.1%
Surplus	\$ 187	\$ 798	\$ 334	\$ 488	\$ 322		
Investment Gain (loss) re: GASB 53				(5,815)	8,007		
Surplus/ (Deficit) After GASB 53				\$ (5,327)	\$ 8,329		
Operating Revenue to Expense Ratio	45.0%	43.4%	41.5%	38.8%	41.5%		
Passengers Carried (Annual Unlinked Passenger Trips)	321,840	340,942	348,315	346,884	358,843	3.4%	2.9%
Actual Vehicle/Car Revenue Miles	84,998	85,893	88,999	88,709	89,656	1.1%	1.4%
Unrestricted Cash and Investments, at Year-end	\$ 35,221	\$ 55,062	\$ 75,951	\$ 73,766	\$ 112,313	52.3%	54.7%
Long-term Debt, at Year-end	\$ 366,060	\$ 352,451	\$ 338,020	\$ 383,245	\$ 353,186	-7.8%	-0.9%

(a) Excludes reserve increases related to other postemployment benefits.

(b) In Fiscal Year 2008 with the passage of Act 44 state legislation, certain senior citizen subsidies received directly from the State lottery fund were eliminated and replaced with the new Pennsylvania Transportation Trust Fund. This accounts for the decrease in senior subsidies from FY 2007 to 2008 above and the respective increase in operating subsidies.

SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY
FINANCIAL CAPACITY ASSESSMENT
May 18, 2012

Appendix B - Financial Projections Consolidated Budget

<u>Amounts in thousands ('000)</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Proposal</u>	<u>Projection</u>	<u>Projection</u>	<u>Projection</u>	<u>Projection</u>	<u>Projection</u>
REVENUE		Fare Increase			Fare Increase	
Passenger Revenue	\$ 450,521	\$ 483,861	\$ 491,119	\$ 498,486	\$ 546,440	\$ 554,637
Shared Ride Revenue	20,000	20,200	20,402	20,606	20,812	21,020
Other Income:	34,100	34,782	35,478	36,187	36,911	37,649
TOTAL OPERATING REVENUE	\$ 504,621	\$ 538,843	\$ 546,999	\$ 555,279	\$ 604,163	\$ 613,306
EXPENSES						
Labor	\$ 542,340	\$ 558,610	\$ 575,369	\$ 592,630	610,408	628,721
Fringe Benefits	353,427	374,194	393,219	412,700	433,200	454,800
Materials and Services	221,723	228,375	235,226	242,283	251,974	262,053
Injuries & Damage Claims	48,500	50,925	53,471	56,145	58,952	61,900
Propulsion Power	37,515	38,078	39,220	40,397	41,609	42,857
Fuel	52,311	55,450	58,777	62,303	66,041	70,004
Other Expenses	26,910	27,717	28,549	29,405	30,287	31,196
TOTAL EXPENSES	\$ 1,282,726	\$ 1,333,349	\$ 1,383,830	\$ 1,435,862	\$ 1,492,472	\$ 1,551,530
DEFICIT BEFORE SUBSIDY	\$ (778,105)	\$ (794,506)	\$ (836,831)	\$ (880,583)	\$ (888,309)	\$ (938,224)
OPERATING SUBSIDY						
Federal	\$ 72,065	\$ 72,786	\$ 73,514	\$ 74,249	\$ 74,991	\$ 75,741
State	616,286	596,397	579,725	590,441	601,472	612,825
Local	87,054	84,224	81,932	83,536	85,187	86,886
Other	2,700	3,000	3,000	3,000	2,700	2,700
TOTAL SUBSIDY	\$ 778,105	\$ 756,407	\$ 738,170	\$ 751,226	\$ 764,350	\$ 778,152
SURPLUS/(DEFICIT)	\$ -	\$ (38,099)	\$ (98,661)	\$ (129,357)	\$ (123,959)	\$ (160,072)
Accumulated Operating Deficit	\$ (185,693)	\$ (223,792)	\$ (322,453)	\$ (451,810)	\$ (575,769)	\$ (735,841)