



To: Chicago Transit Authority Board
From: Ron DeNard, Chief Financial Officer
Re: Financial Results for July 2013
Date: September 11, 2013

I. Summary

CTA's financial results, excluding public funding, show a surplus of \$0.1 million for the month and a deficit of \$11.4 million for the year to date. July results show the positive effects of actions taken as a part of our budget reforecast results; we are showing actual results against. Since July is the first month of the reforecast, the year to date variance is the same as the month of July.

Ridership for the month was 45.0 million and was 0.7 million more than budget. Year to date ridership was 307.9 million and was 0.9 million more than budget.

II. Cash & Liquidity

The chart below highlights CTA's cash position at July 2013 compared to July 2012.

	2013	2012	(Decrease)
Unrestricted Cash	\$ 89.5	\$ 121.8	\$ (32.3)
Damage Reserve	123.4	121.8	\$ 1.6
Funds Owed by RTA	265.1	238.8	\$ 26.3
Trust Portfolio Assets	499.1	906.5	\$ (407.4)
Total Cash and Receivables	\$ 977.1	\$ 1,388.9	\$ (411.8)

CTA's total cash/receivables balance is equal to \$1.0 billion. Unrestricted cash was \$32.3 million less than the prior year. The cash in Damage Reserve is \$1.6 million higher than last year and is a source of short term borrowings if necessary. Funds owed by the RTA were approximately \$265.1 million which was \$26.3 million more than the prior year. CTA continues to work closely with the RTA to monitor their receivable balance owed; Trust Portfolio Assets are bond proceeds held in trust and are \$407.4 million less than prior year. This amount will decrease as we spend bond proceeds on capital projects and increase when we issue bonds for new projects.

III. Revenue

Category	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12
Fare & Pass Revenue	\$ 51,633	\$ (2,782)	\$ 4,196	\$ 334,863	\$ (2,782)	\$ 15,233

- Fare and pass revenue was \$2.8 million less than reforecast for the month and \$4.2 million more than July 2012. July performed better than previous months this year with the highest fare and pass revenue of any month in the history of the CTA. The average fare for the month was \$1.15, which was flat to reforecast but \$0.08 more than the July 2012.
- The average fare for the year to date was \$1.09 per ride which was flat to reforecast and \$0.07 more than July 2012 year to date.

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Reduced Fare Subsidy	\$ 1,143	\$ -	\$ (1,190)	\$ 15,304	\$ -	\$ (1,029)

- Reduced Fare Subsidy is less than prior year due to the state reduction.

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Advertising, Charter, Concession	\$ 2,107	\$ (401)	\$ (172)	\$ 15,226	\$ (401)	\$ 2,242

- Advertising, Charter and Concessions Revenue was \$0.4 million less than reforecast for the month and for year to date. We continue to track above 2012.

Category	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12
Investment income	\$ 22	\$ (19)	\$ (24)	\$ 193	\$ (19)	\$ (89)

- Investment Income Revenue was \$19,000 less than reforecast for the month.

Category	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12
Other Revenue	\$ 1,729	\$ (250)	\$ (1,540)	\$ 23,697	\$ (250)	\$ 1,395

- All Other Revenue was \$0.3 million less than reforecast for the month and year to date.

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Total System Generated Revenue	\$ 56,633	\$ 358	\$ 1,269	\$ 389,283	\$ 358	\$ 17,752

- System-Generated Revenue was \$0.3 million more than reforecast for the month and year to date.

IV. Expenses

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Labor	\$ 79,965	\$ 1,675	\$ (4,017)	\$ 550,894	\$ 1,675	\$ (14,595)

- Labor Expense was \$1.7 million less than reforecast for the month reflecting the efforts put in place to slow non-essential hiring and the revision of the labor fringe rate based on lower than expected actual expenses. Labor is higher than prior year due increases in salaries and employer pension contribution and the customer service assistant program.

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Material	\$ 5,517	\$ (374)	\$ 209	\$ 36,952	\$ (374)	\$ 4,774

- Material expense was over reforecast by \$0.4 million. Year to date material expense is tracking below 2012.

Category	Current Month			Year to Date		
	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12	Actual Jul-13	Variance to Reforecast Jul-13	Variance to Prior Year Jul13 vs. Jul12
Fuel	\$ 5,533	\$ (48)	\$ 48	\$ 37,049	\$ (48)	\$ (840)

- Fuel for Revenue Equipment was slightly higher than reforecast for the month. Fuel expense was \$1.0 million less than reforecast for the year, due to pricing and better efficiency.

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast	Prior Year	Jul-13	Reforecast	Prior Year
	Jul-13	Jul-13	Jul13 vs. Jul12	Jul-13	Jul-13	Jul13 vs. Jul12
Power	\$ 1,979	\$ 2	\$ (303)	\$ 14,741	\$ 2	\$ (1,010)

- Electric Power for Revenue Equipment was on par with reforecast for the month. Power expense year to date is higher due to higher usage than anticipated in the reforecast.

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast	Prior Year	Jul-13	Reforecast	Prior Year
	Jul-13	Jul-13	Jul13 vs. Jul12	Jul-13	Jul-13	Jul13 vs. Jul12
Provision Injuries & Damages	\$ -	\$ 983	\$ 1,400	\$ 5,896	\$ 983	\$ 11,104

- Provision for Injuries and Damages Expense was \$1.0 million favorable to reforecast for the month and year due to the suspension of funding this reserve. The damage reserve fund currently exceeds the actuarially determined liability and this expense will be eliminated for the remainder of the year.

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast	Prior Year	Jul-13	Reforecast	Prior Year
	Jul-13	Jul-13	Jul13 vs. Jul12	Jul-13	Jul-13	Jul13 vs. Jul12
Purchase of Security Services	\$ 1,334	\$ 6	\$ 1,727	\$ 17,425	\$ 6	\$ 3,151

- Purchase of Security Services was on par with reforecast for the month.

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast	Prior Year	Jul-13	Reforecast	Prior Year
	Jul-13	Jul-13	Jul13 vs. Jul12	Jul-13	Jul-13	Jul13 vs. Jul12
Other Expenses	\$ 16,049	\$ 2,492	\$ (5,071)	\$ 129,511	\$ 2,492	\$ (51,539)

- Other Expense was \$2.5 million less than reforecast due to lower than anticipated contractual services.

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast	Prior Year	Jul-13	Reforecast	Prior Year
	Jul-13	Jul-13	Jul13 vs. Jul12	Jul-13	Jul-13	Jul13 vs. Jul12
Total Operating Expenses	\$ 110,377	\$ 4,736	\$ (6,006)	\$ 792,469	\$ 4,736	\$ (48,955)

- Operating Expenses were \$4.7 million less than reforecast for the month, primarily due to favorable variances in labor and other expenses. This trend is expected to continue and is consistent with the forecast. Expenses in 2013 are higher than 2012 due to the elimination of pension bond debt service reserve in 2012 that lowered 2012 expenses.

V. Other

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12
Recovery Ratio	62.0%	(1.48)		59.7%	1.61	

- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 62.0% for the month and 59.7% for the year. This was unfavorable to budget by 1.48 percentage points for the month and unfavorable by 1.61 percentage points for the year to date.

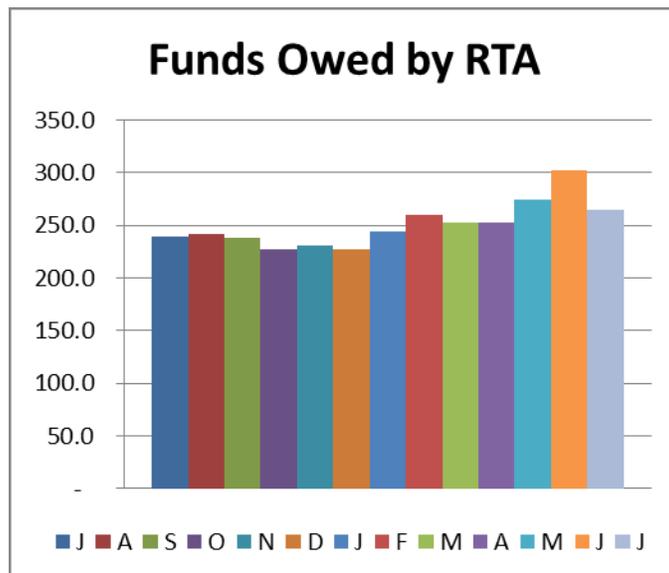
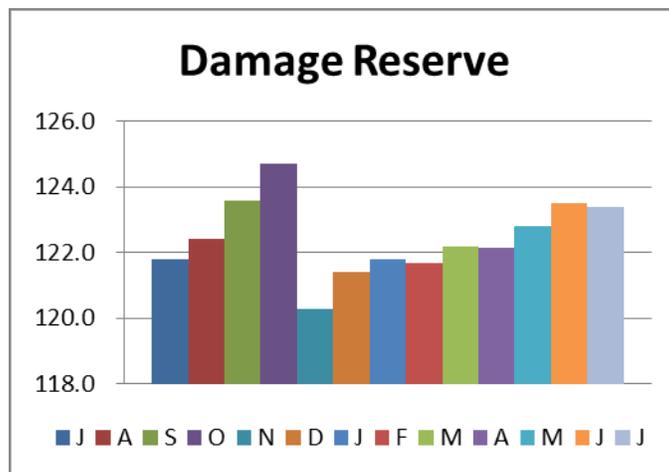
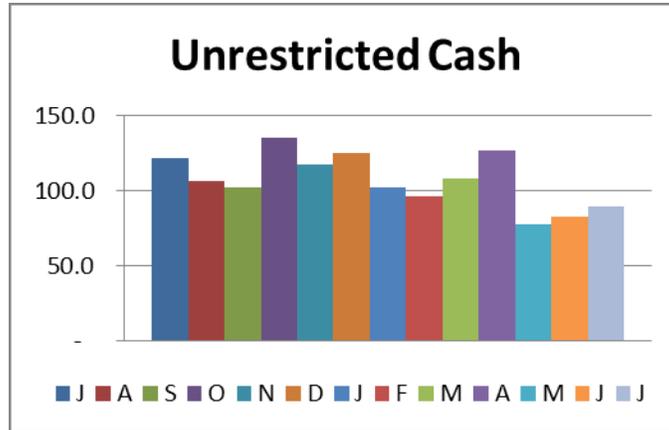
VI. Ridership

Category	Current Month			Year to Date		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12	Jul-13	Reforecast Jul-13	Prior Year Jul13 vs. Jul12
Bus	25,001	43	(132)	176,719	(22)	(5,705)
Rail	16,038	162	264	106,939	(175)	(2,456)
Rail to Rail Transfers	3,998	504	530	24,284	1,106	599
Total	45,038	709	662	307,942	909	(7,562)

- Ridership for the month of July was 45.0 million and was 0.7 million more than budget and was 0.7 million more than prior year. Calendar adjusted ridership was down 1.2% from prior year.
- Ridership for the year to date was 307.9 million and was 0.9 million more than budget and 7.6 million less than prior year. Calendar adjusted ridership is down 2.3% over the prior year to date.

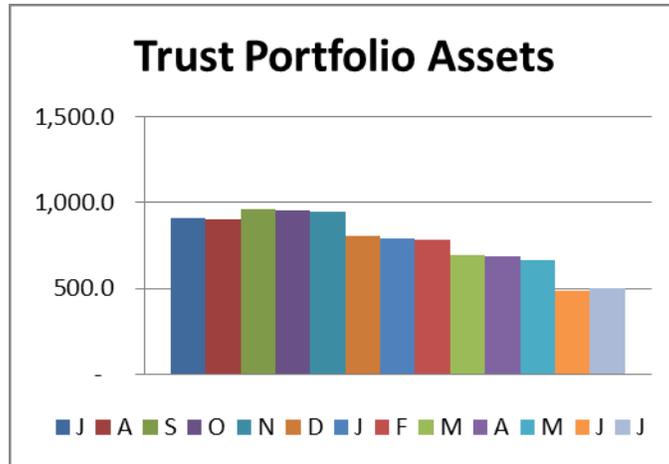
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Cash & Liquidity

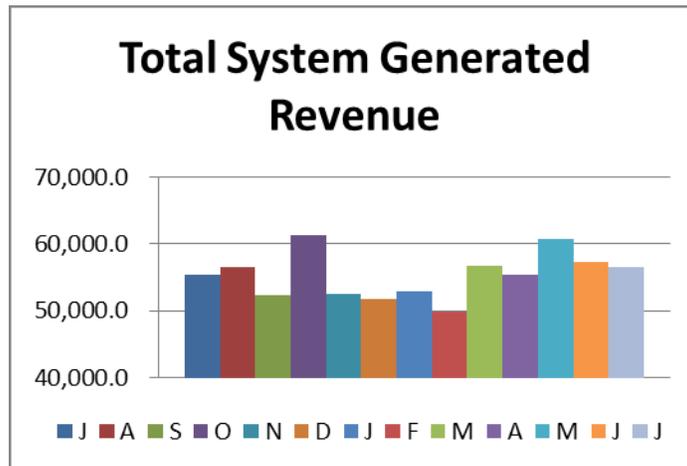


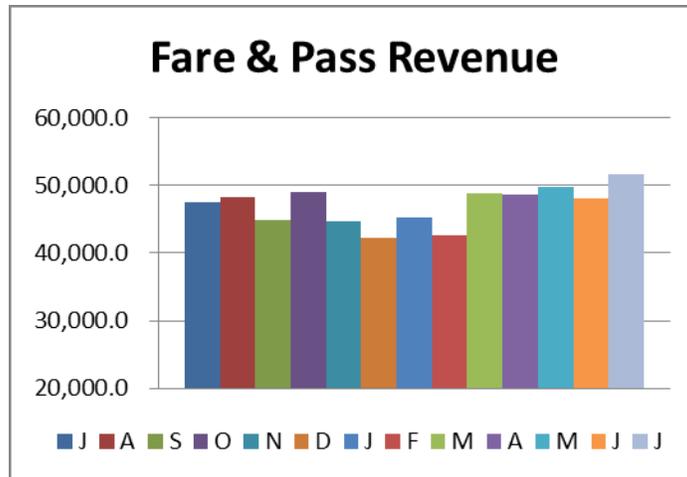
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Cash & Liquidity (cont'd)



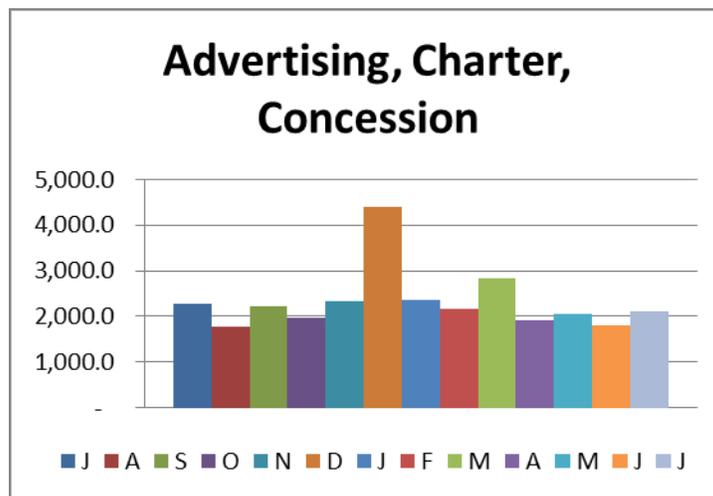
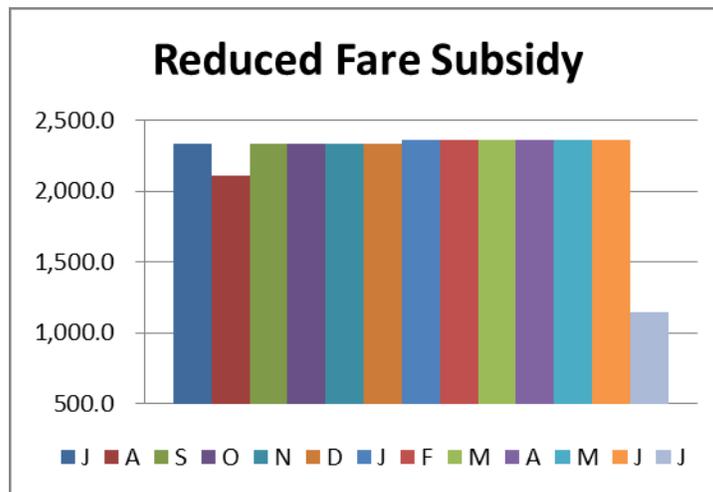
Revenue





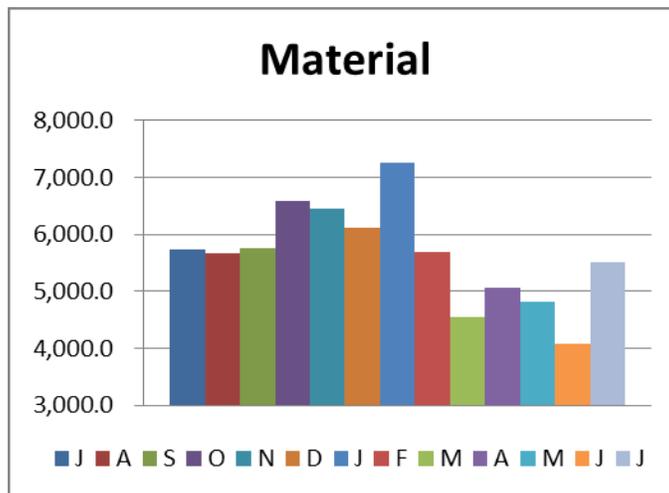
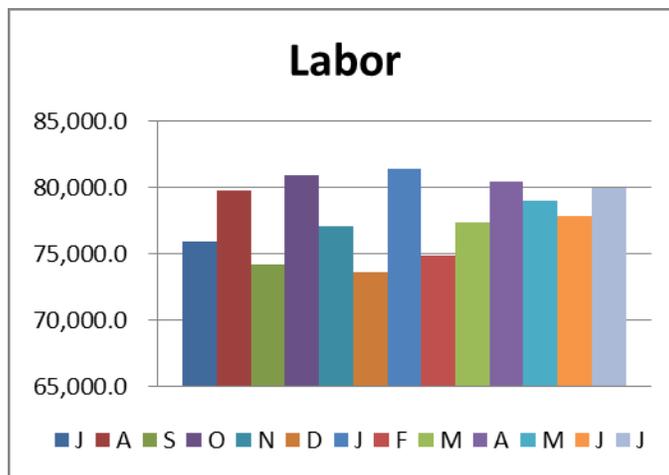
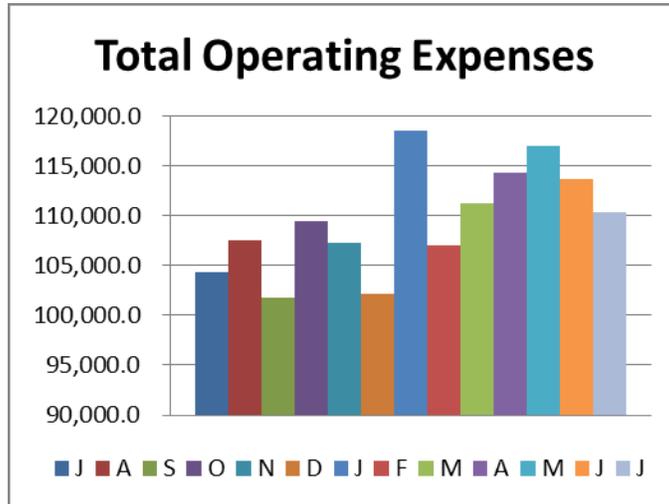
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Revenue (cont'd)



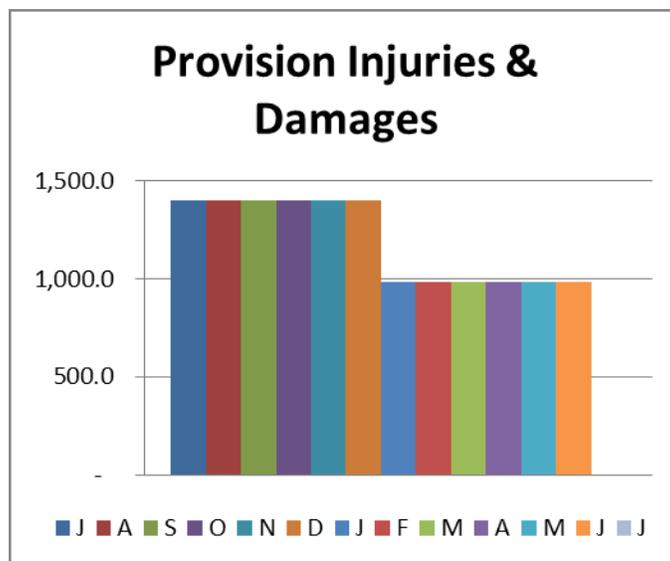
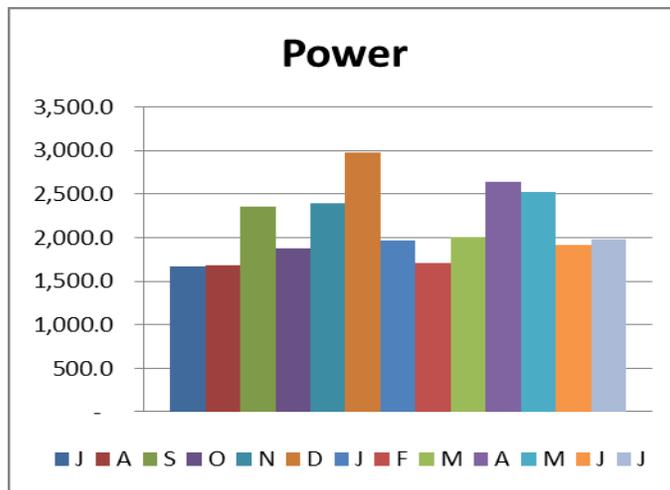
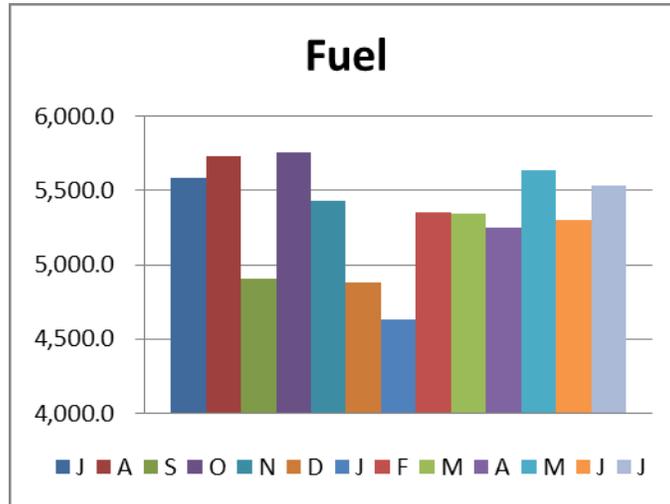
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Expenses



Appendix

Expenses (cont'd)



Appendix

Expenses (cont'd)

