



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for April 2016
Date: June 08, 2016

I. Summary

CTA's financial results are \$1.7 million favorable for April due to both favorable operating expenses and unanticipated revenue from the sale of property. The year to date is \$4.3 million favorable to budget primarily due to lower operating expenses.

Ridership for the month was 41.5 million and was 1.8 million less than budget. Ridership was 2.1 million or 4.9% less than April 2015 due to service disruption on Green and Pink lines from a fire, rainy NFL draft weekend, lower gas prices, and Adams Bridge construction. The year to date is less than budget and prior year by 4.5 million and 1.7 million, respectively.

II. Cash & Liquidity

The chart below highlights CTA's cash position at April 2016 compared to April 2015.

	Apr 2016	Apr 2015	Increase (Decrease)
Unrestricted Cash	\$ 130.1	\$ 117.7	\$ 12.4
Damage Reserve	106.4	107.8	\$ (1.4)
Funds Owed by RTA	356.7	302.8	\$ 53.9
Trust Portfolio Assets	426.5	656.0	\$ (229.5)
Total Cash and Receivables	\$ 1,019.7	\$ 1,184.3	\$ (164.6)

CTA's total cash/receivables balance was equal to \$1.0 billion. Unrestricted cash was \$12.4 million more than the prior year due to timing of cash receipts and invoice payments. The Damage Reserve is sufficiently funded and was \$1.4 million lower than last year reflecting payouts for settled claims. Funds owed by the RTA were approximately \$356.7 million which was \$53.9 million more than the prior year. CTA continues to work closely with the RTA to monitor their receivable balance owed; Trust Portfolio Assets represents bond proceeds held in Trust for funding capital projects and making required debt service payments and therefore goes down when payments are made.

III. Revenue

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Fare & Pass Revenue	\$ 45,982	\$ (1,617)	\$ (1,674)	\$ 184,456	\$ (1,555)	\$ 2,003

- Fare and pass revenue for April was \$1.6 million unfavorable to budget and \$1.7 million unfavorable to prior year. The unfavorable variance to budget and prior year is due to lower than anticipated pay-per-use ridership and revenue. The average fare for the month was \$1.11 and was \$0.01 higher than budget and \$0.02 more than prior year.
- Year-to-date fare and pass revenue was \$1.6 million lower than budget but was \$2.0 million more than prior year. The favorable variance to prior year is due to a combination of milder weather, increased rail full-fare and 30-Day pass sales, and one additional weekday. The average fare for the year was \$1.12 per ride and was \$0.02 more than budget.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Reduced Fare Subsidy	\$ 1,180	\$ (1,180)	\$ 1,180	\$ 4,720	\$ (4,720)	\$ -

- Reduced Fare Subsidy was less than budget for the month and year-to-date by \$1.2 million and \$4.7 million, respectively, due to the uncertainty regarding the State budget and funding for the free and reduced fare mandates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Advertising, Charter, Concession	\$ 2,701	\$ 31	\$ 340	\$ 11,110	\$ 462	\$ 1,621

- Advertising, Charter and Concessions Revenue was slightly higher than budget for the month and was \$0.5 million more for the year-to-date due to higher vehicle and platform advertising. The increase over prior year-to-date was also due to higher vehicle and platform advertising.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Investment income	\$ 141	\$ 67	\$ 65	\$ 576	\$ 282	\$ (62)

- Investment income was higher than budget for the month primarily due to a higher yielding portfolio and a better investment strategy through security selection. The decrease over prior year to date is due to year-end market value adjustments.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Other Revenue	\$ 4,975	\$ 2,833	\$ 2,598	\$ 13,003	\$ 4,612	\$ 2,900

- Other Revenue was favorable to budget and prior year primarily due to the sale of surplus property.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Total System Generated Revenue	\$ 54,979	\$ 134	\$ 2,508	\$ 213,865	\$ (920)	\$ 6,462

- Total System-Generated Revenue was \$0.1 million more than budget for the month and \$2.5 million more than April 2015 primarily due to the sale of surplus property. The year-to-date is \$0.9 million less than budget due to the uncertainty regarding the State budget and funding for the free and reduced fare mandates. The year-to-date system-generated revenue is \$6.5 million more than prior year due higher farebox revenue, advertising revenue and sale of surplus property.

IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Labor	\$ 84,268	\$ 269	\$ (2,820)	\$ 342,013	\$ 267	\$ (15,738)

- Labor expense was \$0.3 million favorable to budget for the month due to vacant positions. Contractual wage increases that took effect in July 2015 and slightly higher fringe benefits in 2016 contributed to higher expenses compared to the prior April and to 2015 year-to-date.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Material	\$ 7,325	\$ 26	\$ (83)	\$ 28,059	\$ 634	\$ (380)

- Material expense was slightly favorable to budget for the month due to lower use of bus and rail vehicle parts. The year to date is \$0.6 million favorable to budget.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Fuel	\$ 2,435	\$ 703	\$ 1,865	\$ 10,873	\$ 1,287	\$ 6,594

- Fuel for Revenue Equipment expense was \$0.7 million lower than budget for the month. Fuel expense is \$6.6 million favorable to the prior year-to-date primarily due to the significant reduction in the price of diesel fuel, slightly lower usage and a small increase in fuel efficiency.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Power	\$ 2,173	\$ 181	\$ (332)	\$ 10,225	\$ 1,047	\$ 677

- The Electric Power for Revenue Equipment expense was \$0.2 million favorable to budget but was \$0.3 million more than prior year. Lower consumption accounted for the variance to budget. The year to date favorable variance is due to both lower consumption and favorable prices. February 2016 was the second warmest February in the last ten years, contributing to lower consumption and price.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Purchase of Security Services	\$ 1,231	\$ (6)	\$ (32)	\$ 4,748	\$ 151	\$ (92)

- Purchase of Security Services was slightly unfavorable to budget for the month but was 0.2 million favorable to budget for the year to date.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Other Expenses	\$ 23,432	\$ 400	\$ (341)	\$ 91,960	\$ 1,850	\$ 1,089

- Other Expenses were favorable to budget by \$0.4 million due to the timing of contractual expenses. Of the total monthly other expenses, the pension obligation bond expense is \$10 million; the remaining expenses are for utilities, maintenance contracts, services, and other expenses.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Total Operating Expenses	\$ 120,864	\$ 1,573	\$ (1,742)	\$ 490,254	\$ 5,237	\$ (10,225)

- Operating Expenses were \$1.6 million favorable to budget for the month due to favorability in labor, fuel, power and other expense categories. The unfavorable variance to prior year was due primarily to higher labor expense.

V. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Recovery Ratio	54.43%	0.90		52.14%	0.50	

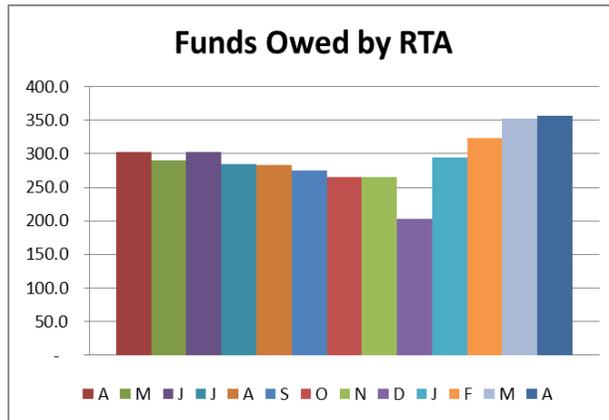
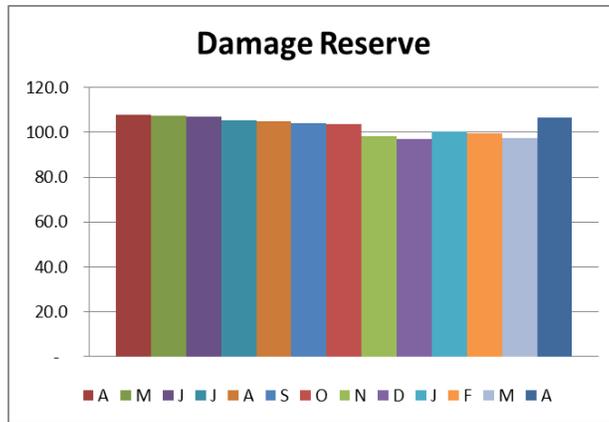
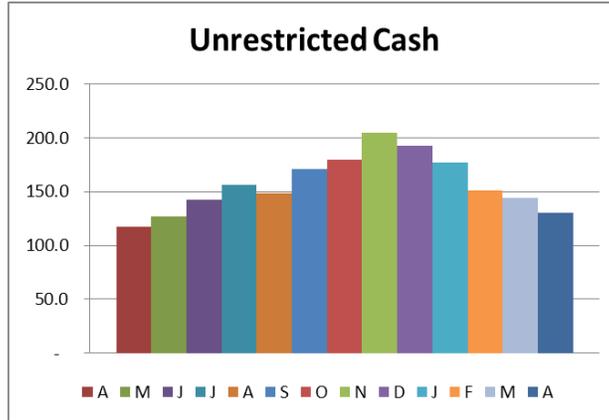
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 54.43% for the month. This was favorable to budget by 0.90 percentage points. For the year-to-date the recovery ratio is 52.14%.

VI. Ridership

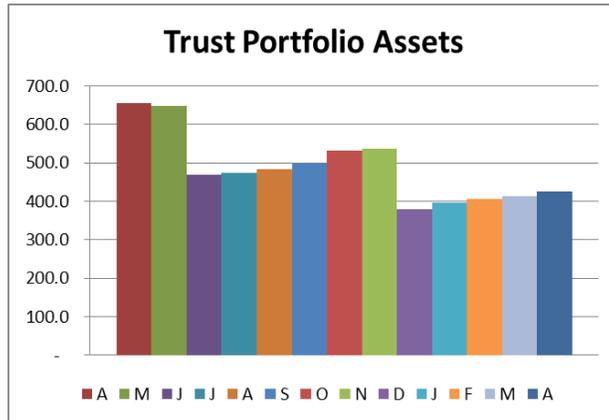
Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Apr-16	Budget Apr-16	Prior Year Apr16 vs. Apr15	2016	Budget 2016	Prior Year 2015
Bus	21,708	(1,422)	(1,807)	87,267	(4,137)	(3,147)
Rail	16,141	(315)	(264)	62,868	(300)	1,218
Rail to Rail Transfers	3,656	(80)	(55)	14,023	(34)	266
Total	41,506	(1,817)	(2,126)	164,158	(4,471)	(1,664)

- Ridership for the month of April was 41.5 million and was lower than budget and prior year by 1.8 million and 2.1 million, respectively.
- Calendar adjusted ridership was down 3.4% from prior year due to service disruption on Green and Pink lines from a fire, rainy NFL draft weekend, lower gas prices, and Adams Bridge construction.
- Ridership for the year-to-date was 164.2 million and was 4.5 million less than budget and was 1.7 million lower than the prior year-to-date. Calendar adjusted ridership was down 1.6% from the prior year-to-date.
- More details on ridership can be found in the April Ridership Report.

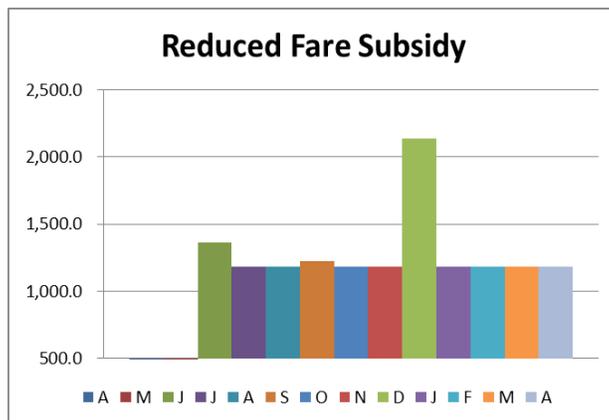
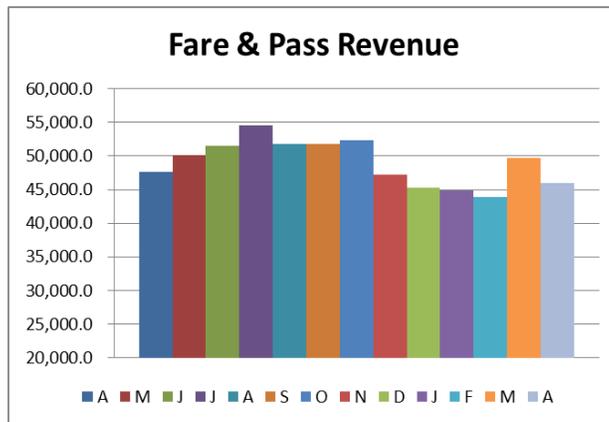
Cash



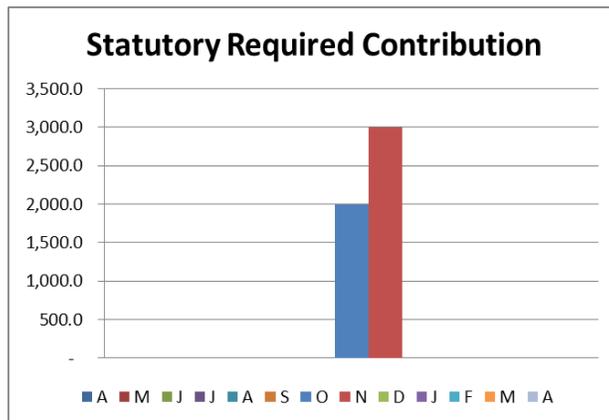
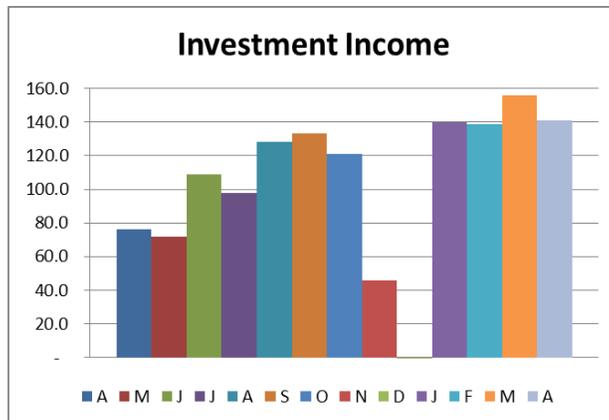
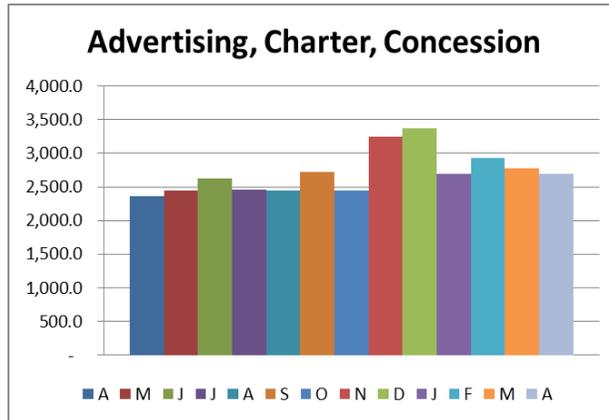
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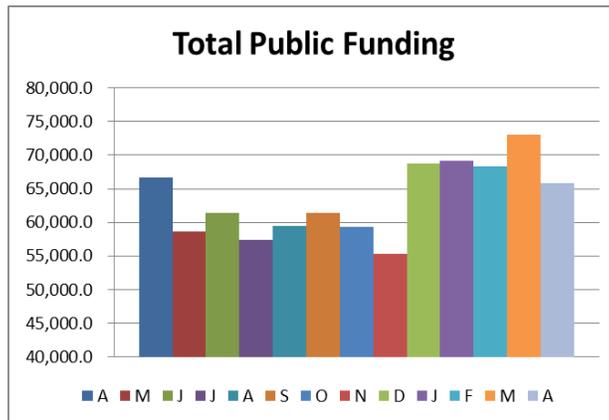
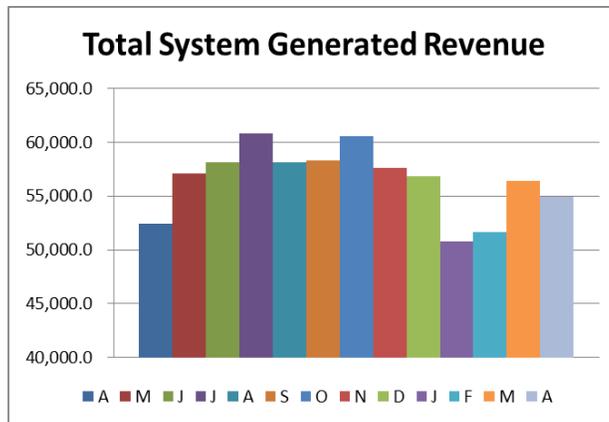
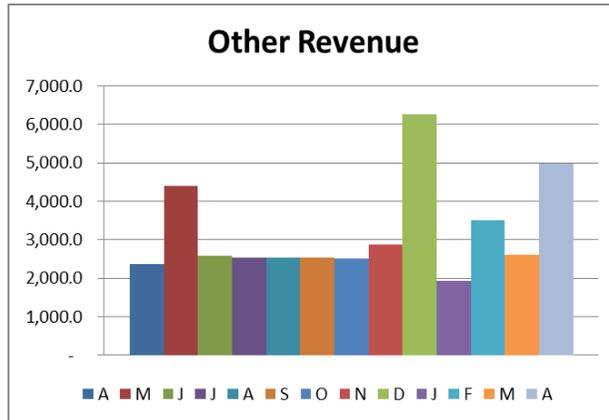
Revenue



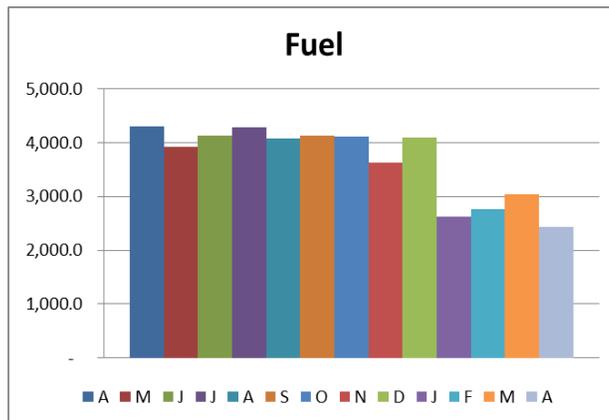
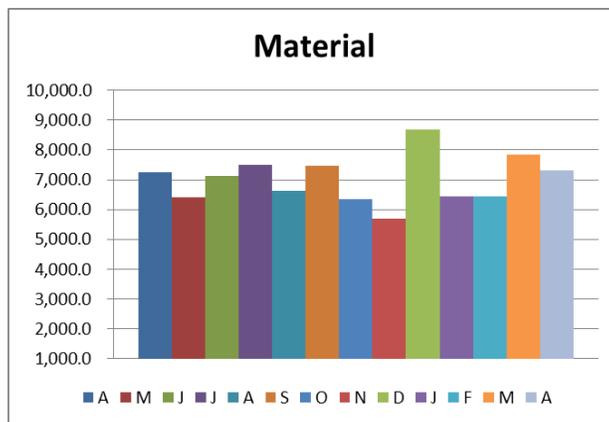
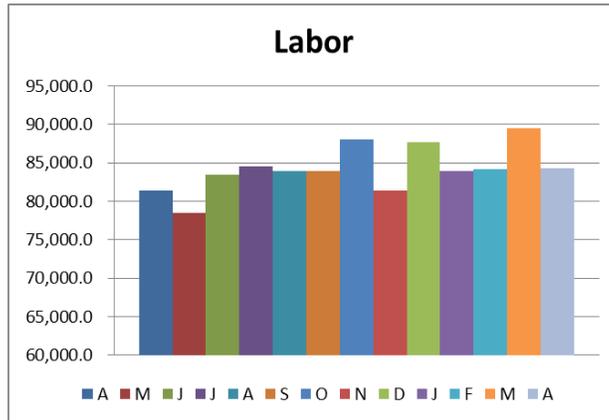
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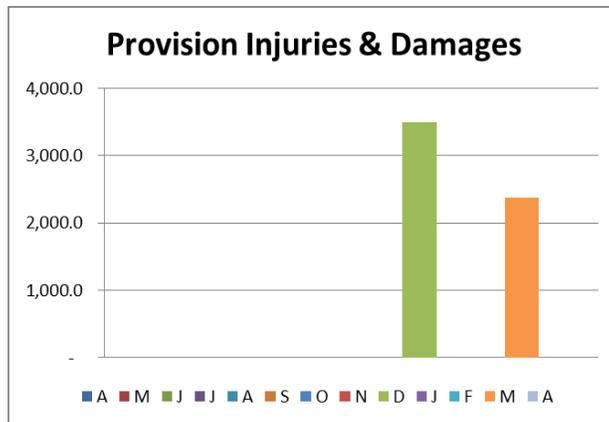
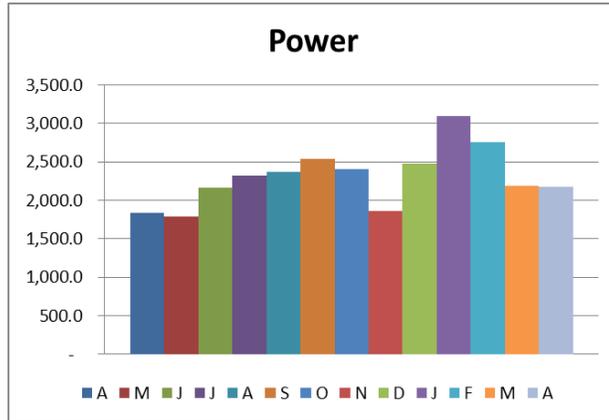
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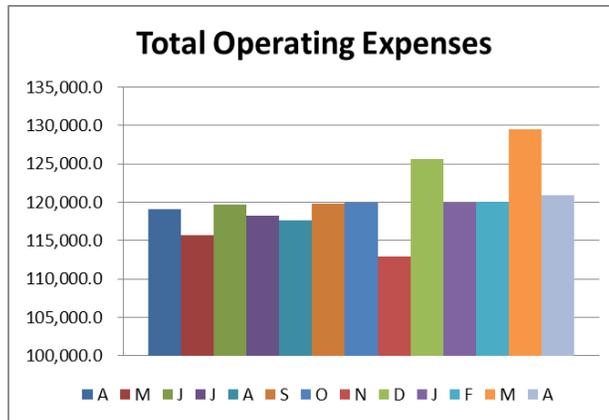
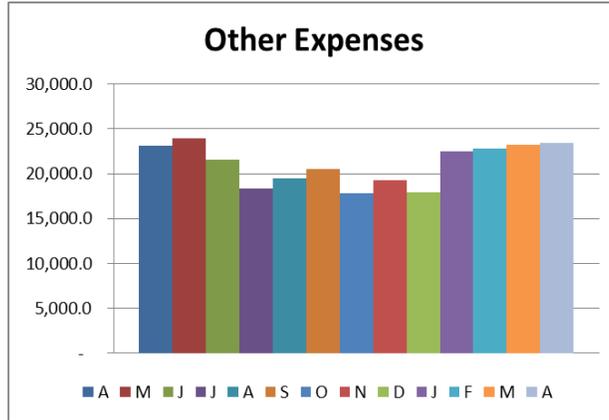
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
Unrestricted Cash	117.7	126.8	142.8	156.2	148.7	170.8	179.7	204.4	192.6	176.9	151.2	143.8	130.1
Damage Reserve	107.8	107.5	107.1	105.2	104.9	104.0	103.7	98.1	97.0	100.3	99.6	97.3	106.4
Funds Owed by RTA	302.8	290.7	302.1	284.0	282.6	274.9	264.8	265.5	202.8	294.3	323.4	352.7	356.7
Trust Portfolio Assets	656.0	649.5	468.6	474.3	483.0	499.0	532.1	536.1	378.4	396.5	406.2	412.9	426.5

Revenue	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
Fare & Pass Revenue	47,656.0	50,189.0	51,494.0	54,539.0	51,825.0	51,736.0	52,286.0	47,247.0	45,339.0	44,877.0	43,918.0	49,680.0	45,982.0
Reduced Fare Subsidy	-	-	1,360.0	1,180.0	1,180.0	1,224.0	1,180.0	1,180.0	2,136.0	1,180.0	1,180.0	1,180.0	1,180.0
Advertising, Charter, Concession	2,361.0	2,439.0	2,625.0	2,461.0	2,440.0	2,726.0	2,445.0	3,251.0	3,366.0	2,698.0	2,935.0	2,775.0	2,701.0
Investment Income	76.0	72.0	109.0	98.0	128.0	133.0	121.0	46.0	(222.0)	140.0	139.0	156.0	141.0
Statutory Required Contribution	-	-	-	-	-	-	2,000.0	3,000.0	-	-	-	-	-
Other Revenue	2,377.0	4,404.0	2,588.0	2,526.0	2,545.0	2,534.0	2,514.0	2,867.0	6,255.0	1,926.0	3,497.0	2,604.0	4,975.0
Total System Generated Revenue	52,471.0	57,103.0	58,175.0	60,803.0	58,118.0	58,352.0	60,547.0	57,591.0	56,875.0	50,821.0	51,669.0	56,395.0	54,979.0
Total Public Funding	66,651.0	58,644.0	61,467.0	57,411.0	59,502.0	61,411.0	59,352.0	55,347.0	68,786.0	69,099.0	68,343.0	73,061.0	65,885.0

Expense	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
Labor	81,448.0	78,455.0	83,416.0	84,539.0	83,886.0	83,913.0	88,024.0	81,340.0	87,639.0	83,998.0	84,197.0	89,550.0	84,268.0
Material	7,243.0	6,418.0	7,133.0	7,488.0	6,612.0	7,455.0	6,356.0	5,684.0	8,682.0	6,451.0	6,433.0	7,850.0	7,325.0
Fuel	4,301.0	3,915.0	4,124.0	4,284.0	4,084.0	4,134.0	4,116.0	3,619.0	4,086.0	2,625.0	2,766.0	3,046.0	2,435.0
Power	1,841.0	1,793.0	2,161.0	2,319.0	2,364.0	2,535.0	2,403.0	1,863.0	2,477.0	3,102.0	2,761.0	2,190.0	2,173.0
Provision Injuries & Damages	-	-	-	-	-	-	-	-	3,500.0	-	-	2,375.0	-
Purchase of Security Services	1,199.0	1,245.0	1,229.0	1,200.0	1,211.0	1,201.0	1,201.0	1,184.0	1,303.0	1,202.0	1,064.0	1,251.0	1,231.0
Other Expenses	23,091.0	23,920.0	21,580.0	18,383.0	19,463.0	20,526.0	17,798.0	19,249.0	17,974.0	22,541.0	22,792.0	23,195.0	23,432.0
Total Operating Expenses	119,122.0	115,747.0	119,642.0	118,214.0	117,620.0	119,764.0	119,898.0	112,939.0	125,661.0	119,920.0	120,012.0	129,457.0	120,864.0