



To: Chicago Transit Authority Board  
From: Ron DeNard, Chief Financial Officer  
Re: Financial Results for January 2015  
Date: March 6, 2015

### I. Summary

CTA's financial results are \$2.0 million favorable for January. Both operating expenses and system generated revenues are favorable to budget for the month.

Ridership for the month is 39.4 million and is on par with budget. Ridership is 1.4 million or 3.6% higher than January 2014.

### II. Cash & Liquidity

The chart below highlights CTA's cash position at January 2015 compared to January 2014.

	Jan 2015	Jan 2014	Increase (Decrease)
Unrestricted Cash	\$ 127.7	\$ 109.3	\$ 18.4
Damage Reserve	105.8	114.5	\$ (8.7)
Funds Owed by RTA	237.1	259.9	\$ (22.8)
Trust Portfolio Assets	663.6	416.4	\$ 247.2
Total Cash and Receivables	\$ 1,134.2	\$ 900.1	\$ 234.1

CTA's total cash/receivables balance is equal to \$1.1 billion. Unrestricted cash was \$18.4 million more than the prior year due an improvement in the cash flow lag for PTF (Public Transportation Funding) collections from five to four months. The cash in Damage Reserve is sufficiently funded and was \$8.7 million lower than last year reflecting payouts for settled claims. Funds owed by the RTA were approximately \$237.1 million which was \$22.8 million less 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.

### III. Revenue

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Fare & Pass Revenue	\$ 44,481	\$ 449	\$ (28)	\$ 44,481	\$ 449	\$ (28)

- Fare and pass revenue for January was \$0.4 million favorable to budget and flat to prior year. The variance to prior year is impacted by one less workday in January 2015 and offset by the effect of the 2014 polar vortex. The average fare for the month was \$1.13 and was \$0.01 more than budget. The January 2014 average fare was \$1.17 and unusually high because of the drop in ridership due to the polar vortex across lower average fare categories, such as students.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Reduced Fare Subsidy	\$ 2,360	\$ -	\$ 1,143	\$ 2,360	\$ -	\$ 1,143

- Reduced Fare Subsidy is on par with budget for the month and is \$1.1 million higher than prior year due to the timing of the 2014 mid-year reinstatement of funding.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Advertising, Charter, Concession	\$ 2,290	\$ (81)	\$ 84	\$ 2,290	\$ (81)	\$ 84

- Advertising, Charter and Concessions Revenue is slightly unfavorable to budget for the month due to an unbudgeted advertising program cost. The increase over prior year is due to higher special contract guarantees, concession contracts, and the annual increase in vehicle and platform advertising minimum guarantee.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Investment income	\$ 403	\$ 347	\$ 281	\$ 403	\$ 347	\$ 281

- Investment income was higher than budget for the month and prior year due to an accounting adjustment. Excluding the adjustment, investment income was higher than budget by 54k.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Other Revenue	\$ 2,289	\$ 214	\$ (2,092)	\$ 2,289	\$ 214	\$ (2,092)

- Other Revenue was favorable to budget for the month due to miscellaneous revenues from rentals and reimbursements. It is lower than prior year due to a one-time sale of property in 2014.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Total System Generated Revenue	\$ 51,824	\$ 929	\$ (611)	\$ 51,824	\$ 929	\$ (611)

- Total System-Generated Revenue was \$0.9 million more than budget for the month primarily due to higher fare and pass revenue than anticipated. Total System-Generated Revenue is \$0.6 million less than prior year due to the sale of property in 2014.

#### IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Labor	\$ 82,569	\$ 1,036	\$ 2,397	\$ 82,569	\$ 1,036	\$ 2,397

- Labor expense was \$1.0 million favorable to budget for the month, mainly due to timing of hiring for the year. Labor expense is \$2.4 million less than 2014 due to one less workday in January 2015.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Material	\$ 6,702	\$ 130	\$ (43)	\$ 6,702	\$ 130	\$ (43)

- Material expense was \$0.1 million favorable to budget for the month and flat to prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Fuel	\$ 4,526	\$ 220	\$ 781	\$ 4,526	\$ 220	\$ 781

- Fuel for Revenue Equipment expense was \$0.2 million favorable to budget for the month. Fuel expense is \$0.8 million favorable to prior year primarily due to lower prices.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Power	\$ 3,013	\$ 2	\$ (54)	\$ 3,013	\$ 2	\$ (54)

- The Electric Power for Revenue Equipment expense was on par with budget.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Purchase of Security Services	\$ 1,147	\$ 56	\$ (440)	\$ 1,147	\$ 56	\$ (440)

- Purchase of Security Services was slightly favorable to budget for the month. Security expense was \$0.4 million unfavorable to prior year primarily due to a one-time 2014 reclassification of charges eligible for grant reimbursement.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
Other Expenses	\$ 23,988	\$ (327)	\$ (1,340)	\$ 23,988	\$ (327)	\$ (1,340)

- Other Expenses were \$0.3 million unfavorable to budget for the month and \$1.3 million higher than prior year. The increase over prior year is 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
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
<b>Total Operating Expenses</b>	<b>\$ 121,944</b>	<b>\$ 1,115</b>	<b>\$ 1,301</b>	<b>\$ 121,944</b>	<b>\$ 1,115</b>	<b>\$ 1,301</b>

- Operating Expenses were less than budget for the month and prior year by \$1.1 million and \$1.3 million, respectively. The \$1.1 million favorable variance to budget and \$1.3 million favorable variance to prior year is due primarily to favorable labor expense with the remainder of expenses either slightly favorable or slightly unfavorable.

## V. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
<b>Recovery Ratio</b>	<b>50.78%</b>	<b>1.26</b>		<b>50.78%</b>	<b>1.26</b>	

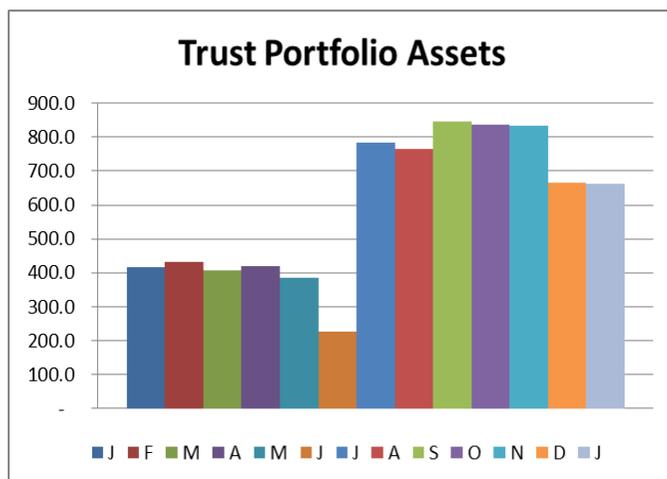
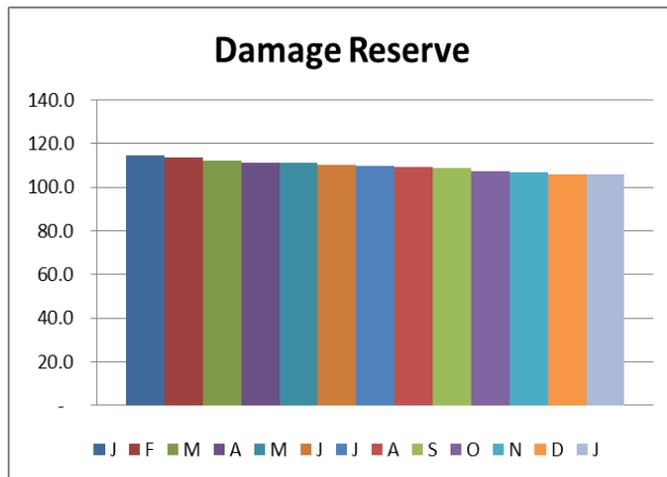
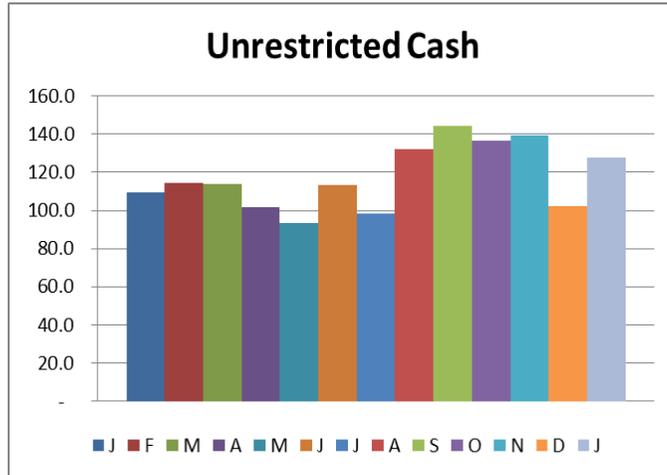
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 50.78% for the month. This was favorable to budget by 1.26 percentage points.

## VI. Ridership

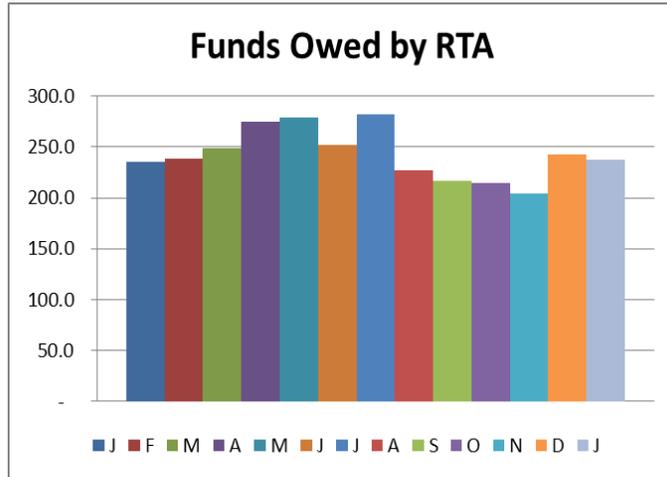
Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-15	Budget Jan-15	Prior Year Jan15 vs. Jan14	2015	Budget 2015	Prior Year 2014
<b>Bus</b>	<b>21,404</b>	<b>21</b>	<b>848</b>	<b>21,404</b>	<b>21</b>	<b>848</b>
<b>Rail</b>	<b>14,698</b>	<b>7</b>	<b>430</b>	<b>14,698</b>	<b>7</b>	<b>430</b>
<b>Rail to Rail Transfers</b>	<b>3,294</b>	<b>2</b>	<b>101</b>	<b>3,294</b>	<b>2</b>	<b>101</b>
<b>Total</b>	<b>39,397</b>	<b>30</b>	<b>1,379</b>	<b>39,397</b>	<b>30</b>	<b>1,379</b>

- Ridership for the month of January was 39.4 million and was on par with budget and was 1.4 million more than prior year. Calendar adjusted ridership was up 5.2 % from prior year. January 2015 had 21 workdays compared with 22 in January 2014.
- More details on ridership can be found in the January Ridership Report.

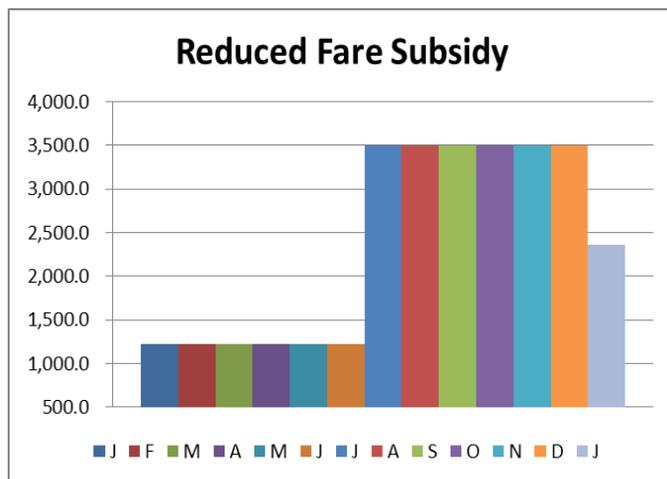
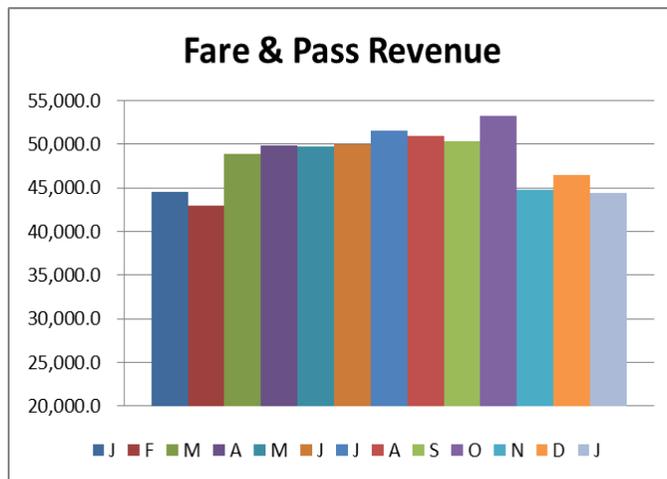
## Cash & Liquidity



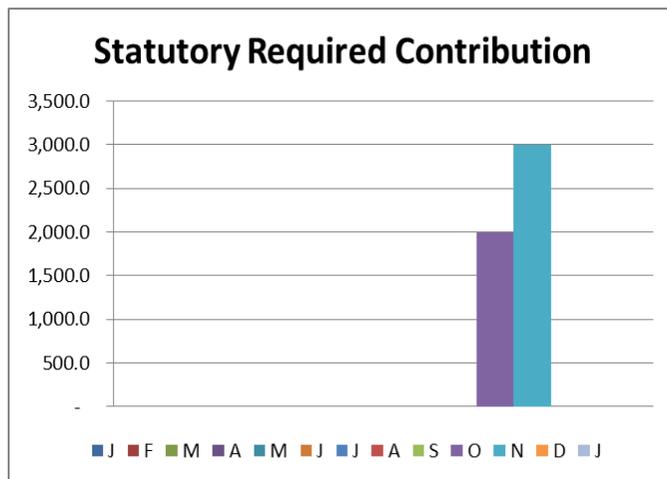
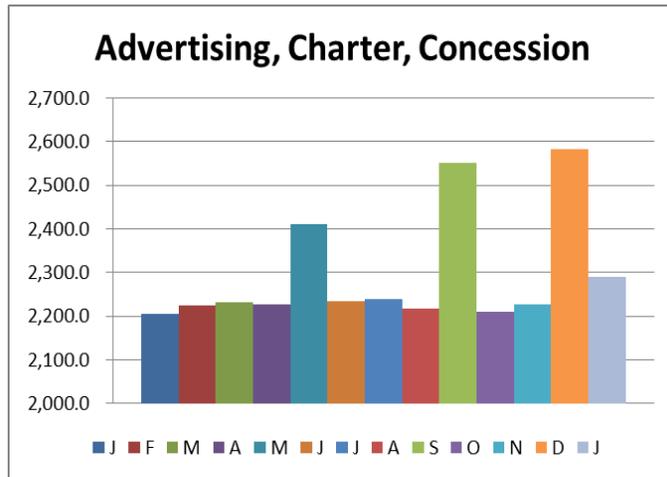
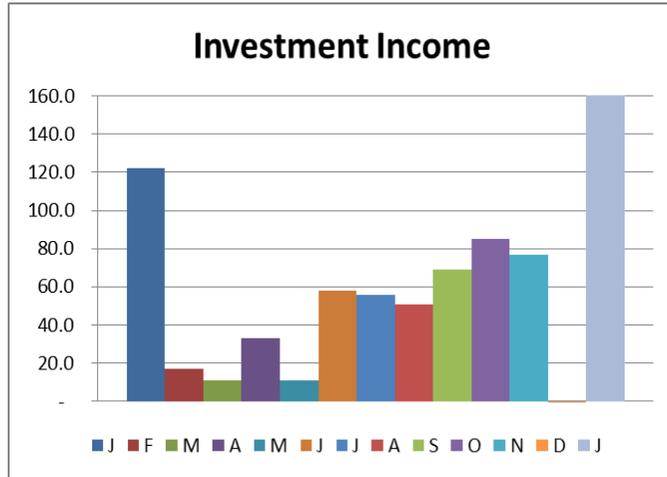
**Cash & Liquidity (con't)**



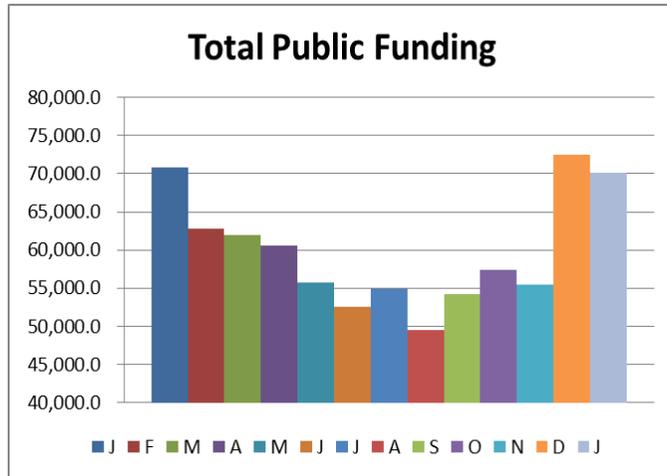
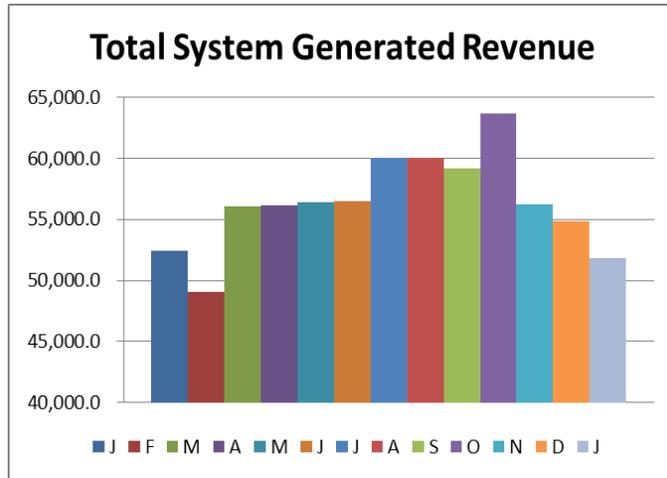
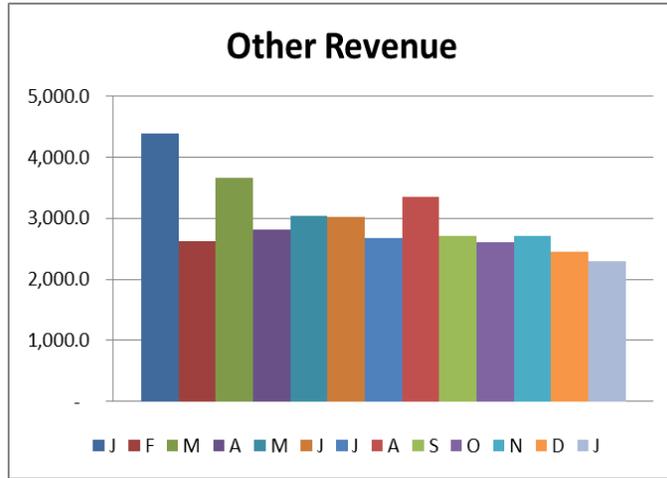
**Revenue**



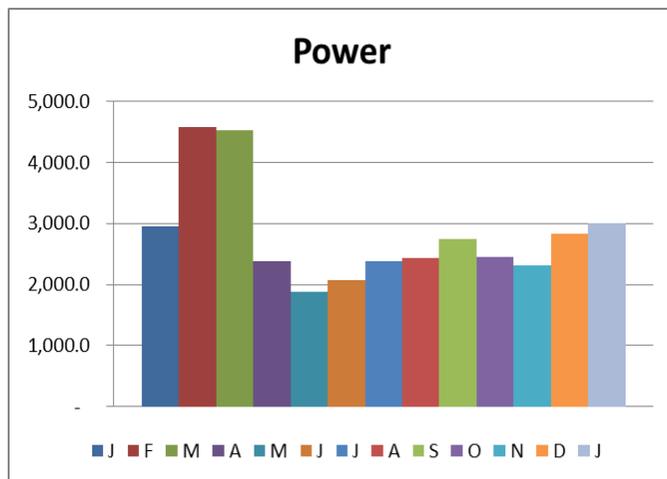
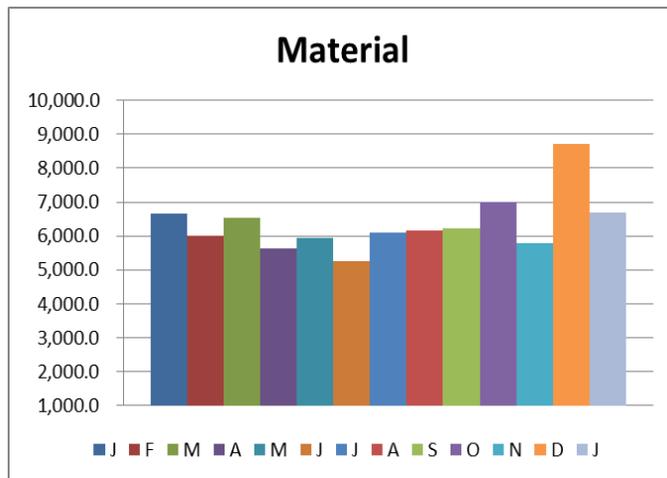
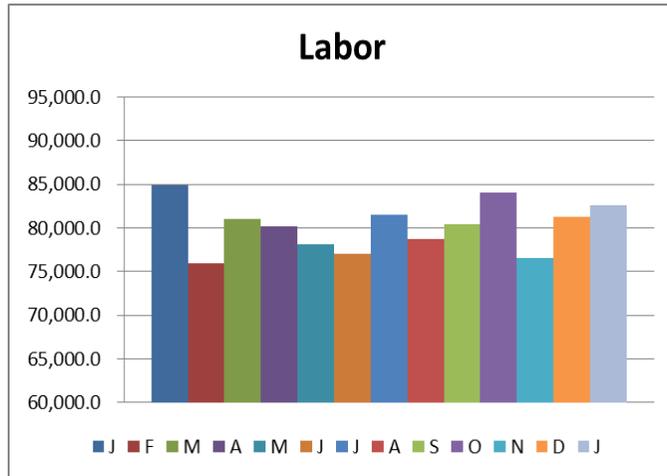
### Revenue (con't)



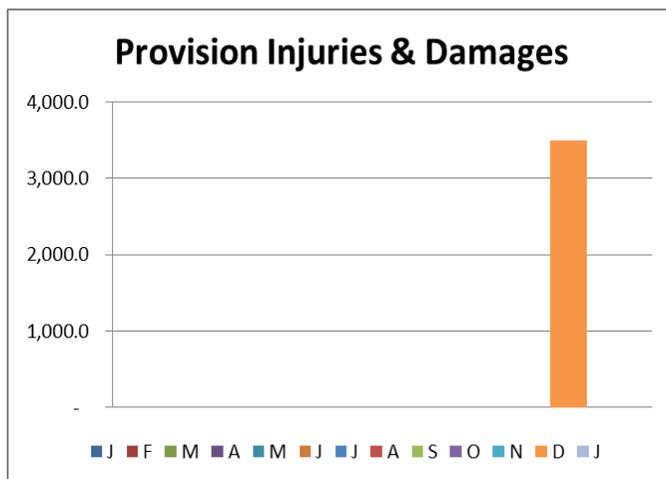
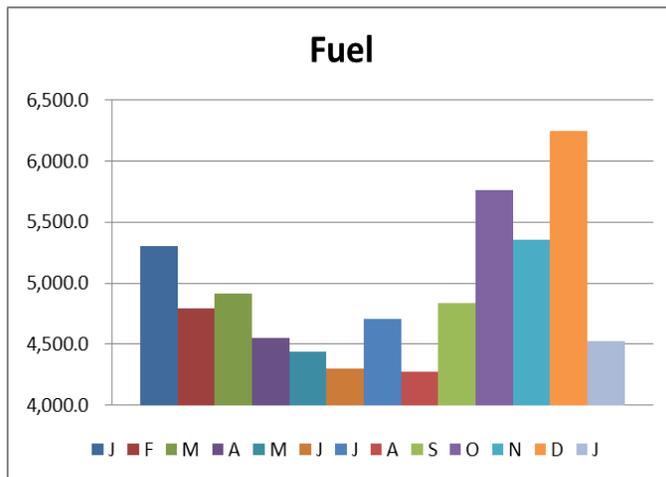
## Revenue (con't)



## Expenses



## Expenses (con't)



### Expenses (con't)

