



To: Chicago Transit Authority Board  
From: Karen Walker, Chief Financial Officer  
Re: Financial Results for January 2010  
Date: March 10, 2010

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CTA's financial results show a surplus of \$1.9 million for the month of January. The surplus for the month is primarily due to lower operating expenses than anticipated in the budget. Ridership for the month of January was 40.4 million and was 2.2 million less than budget.

The chart below highlights CTA's key working capital results at the end of January compared to the prior year and December 2009.

	Jan 2010	Jan 2009	Increase (Decrease)	Dec 2009
Working Cash	\$ 33.6	\$ 95.2	\$ (61.6)	\$60.5
Damage Reserve Cash	86.8	1.7	85.1	85.1
Inventory	91.8	103.4	(11.6)	92.8
Funds owed by RTA	208.4	255.9	(47.5)	180.3
Funds owed by State of Illinois	0.5	21.1	(20.6)	-
Funds CTA owes (accounts payable)	18.0	45.5	(27.5)	24.4

CTA's working cash balance remains well below the target of three months' operating expense. Funds borrowed from the damage reserve cash were restored at the end of 2009. Funds owed to CTA by the RTA and the State are approximately \$208.9 million. CTA inventories have decreased by \$11.6 million from the prior year primarily due to an increase in the reserve for obsolescence. Funds CTA owes to creditors is less than prior month and prior year.

Ridership for the month of January was 40.4 million and was 2.2 million less than budget but was 0.2 million higher than prior year. Bus ridership for the month of

January was 25.1 million. This was 1.3 million or 4.9% less than budget but was on par with January 2009. Rail ridership for January was 15.4 million and was 0.9 million or 5.4% less than budget but was \$0.1 million more than January 2009.

Public Funding Required for Operations for the month and the year was \$58.0 million and was \$1.9 million less than budget.

Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 52.38% for the month and the year, and was unfavorable by 2.38 percentage points.

Operating Expenses for the month and year equaled \$102.3 million and were \$8.4 million or 7.6% less than budget.

Labor Expense was \$71.6 million for the month of January and was \$2.2 million less than budget due to vacancies.

Material Expense was \$5.5 million for the month and was \$2.5 million or 31.6% less than budget due to lower vehicle maintenance parts. Material expense is 38.3% less than prior year.

Fuel for Revenue Equipment was \$4.6 million for the month and was \$1.4 million less than budget. Fuel is 43.7% less than the prior year.

Electric Power for Revenue Equipment was \$3.2 million for the month and was on par with budget. Power is 29.1% less than the prior year.

Provision for Injuries and Damages Expense was \$2.3 million for the month and is on par with budget.

Purchase of Security Services was \$2.3 million for the month and was \$0.5 million less than budget.

Other Expenses equaled \$12.9 million for the month and were \$1.9 million less than budget due to timing differences between actual and budget.

System-Generated Revenue was \$44.3 million for the month and was \$6.5 million less than budget. The unfavorable variance is primarily due to lower than anticipated revenue for farebox and pass revenue. All revenue categories were less than budget for the month.

Fare Revenue was \$39.1 million for the month and was \$5.8 million less than budget and \$3.0 million less than prior year. The average fare for the month was \$0.97 per ride and was \$0.08 less than budget.

Reduced Fare Reimbursements were \$2.7 million for the month and was on par with budget.

Advertising, Charter and Concessions Revenue equaled \$1.4 million in January and was \$0.3 million less than budget due to lower advertising revenues.

Investment Income was \$0.33 thousand for the month and was \$0.1 million less than budget due to a lower cash balances and investment rates.

There were no Statutory Required Contributions for the month which is on par with budget.

All Other Revenue was \$1.1 million for the month and was \$0.2 million less than budget.