

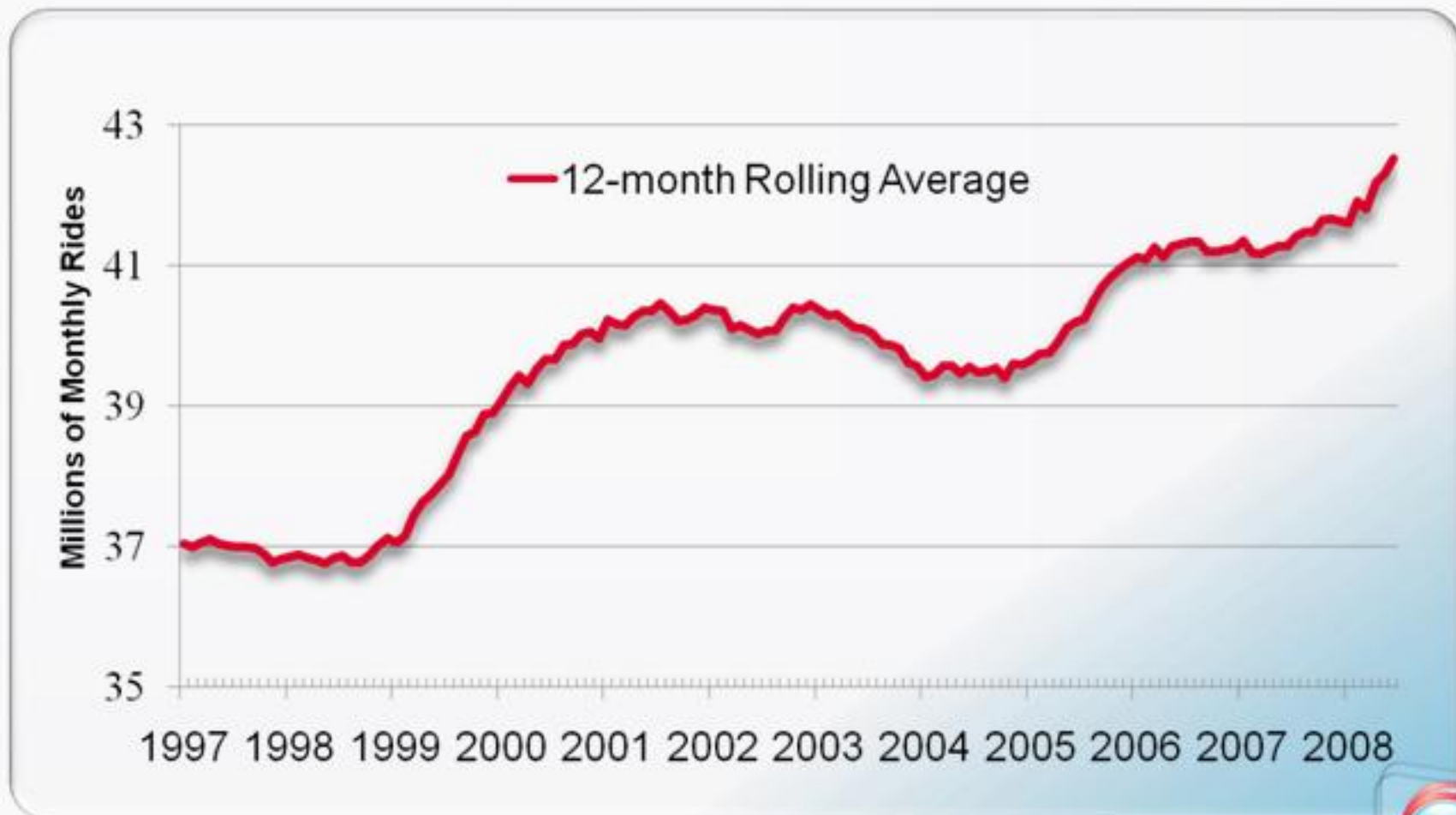
President's Report



September 10, 2008

SYSTEM RIDERSHIP TREND

- **Ridership has increased significantly since 1997**



PRELIMINARY AUGUST RIDERSHIP

9.7%



System

**UP
45.6 Mil.**

10.6%



Bus

**UP
27.8 Mil.**

8.3%



Rail

**UP
17.7 Mil.**



YEAR-TO-DATE THROUGH AUGUST

5.3%



System

**UP
17.8 Mil.**

6.9%



Bus

**UP
14.0 Mil.**

2.9%



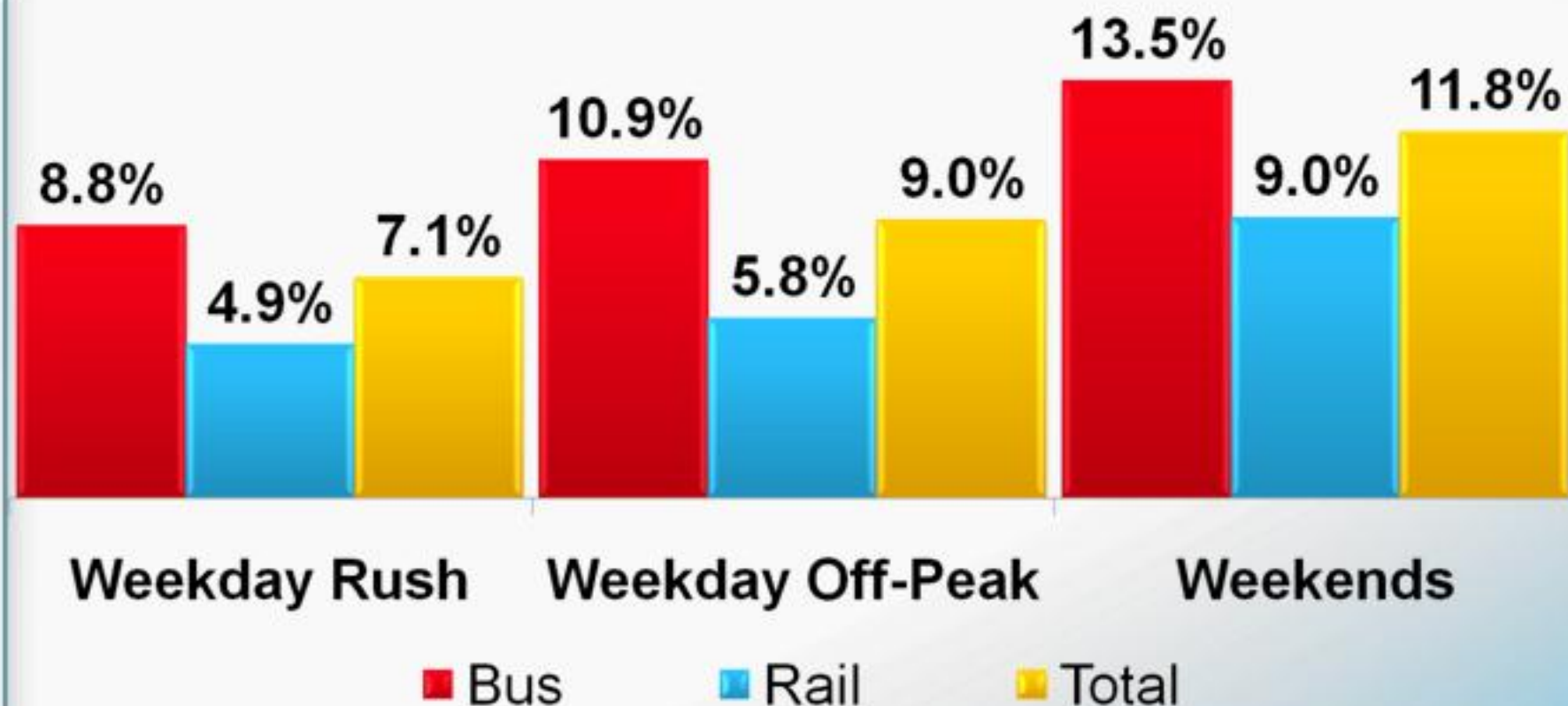
Rail

**UP
3.7 Mil.**



JULY/AUGUST RIDERSHIP BY TIME

- **All times are strong, but off-peak is strongest**

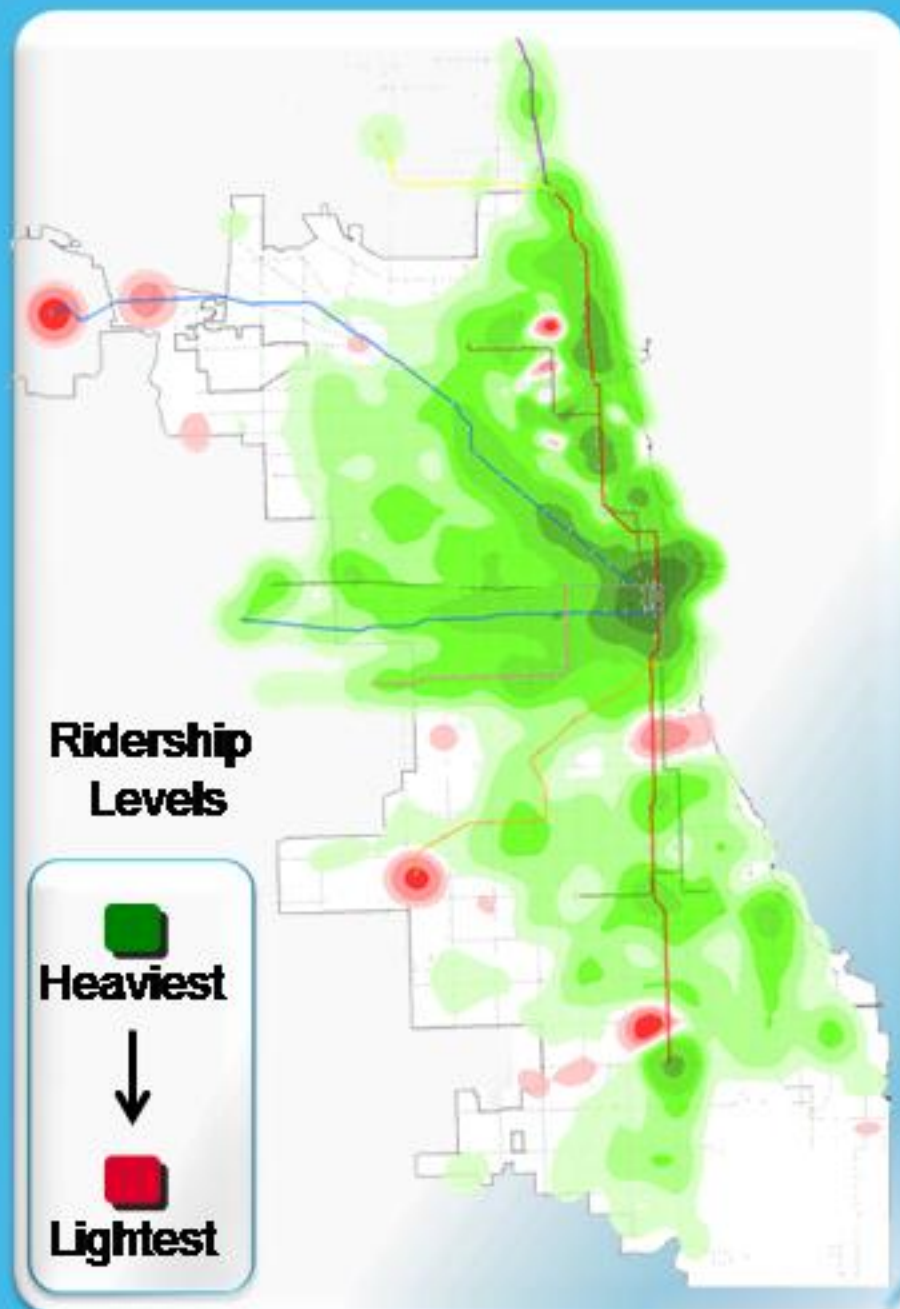


July & August 2008 Averaged Together



RIDERSHIP UP

- **Through July**
Ridership is up in
most places
- **Notably down are**
Midway and O'Hare
Airports



FREE SENIOR RIDES STILL GROWING

Average CTA Senior Free Rides By Day

Program Start:
March 17th



cta

MILITARY SERVICE FREE RIDES

- **Free rides for military personnel and disabled veterans continue to grow**



SLOW ZONES



SLOW ZONES

● Slow Zone elimination continues



**CREATING A
PERFORMANCE-FOCUSED
BUDGET PROCESS**



NEW BUDGET PROCESS

- **New '09 budget process with focus on the integration of performance Management**
- **Hard decisions based on top-most priorities will drive our expenditures**
- **Expenditures will be directly related to outcomes and targets and PM and Transformation goals**



'09 BUDGET GOALS

- **Capital and operating budgets integrated**
- **Greater accountability for departments**

PM Session

	JAN	FEB	MAR	APR
Financial Indicator A	Green	Yellow	Yellow	Green
Financial Indicator B	Yellow	Green	Green	Yellow
Financial Indicator C	Yellow	Red	Red	Red

ACTIVITY	DATE
RTA Releases Mark	September 15, 2008
Recommended 2009 Budget Presented To The CTA Board	October 8, 2008
2009 Recommended Budget Document Available To The Public	October 8, 2008
Public Hearing on 2009 Recommended Budget	October 29, 2008
CTA Presentation To The Cook County Board	November 5, 2008
RTA Board Approval Of CTA 2009 Budget	December 14, 2008

'09 BUDGET TIMELINE



\$40 MILLION CTA BELT TIGHTENING



2008 Budget

- **3 areas are driving a gap between operating expenses and revenues**



Revenue:

- Senior Free Rides
- Military Free Rides (Active duty and disable veterans)
- Circuit Breaker Disabled Free Rides



Public Funding:

- Reduced Fare Reimbursement
- Chicago Real Estate Transfer Tax



Expenses:

- Fuel
- Power
- Labor



Keeping the CTA On Track

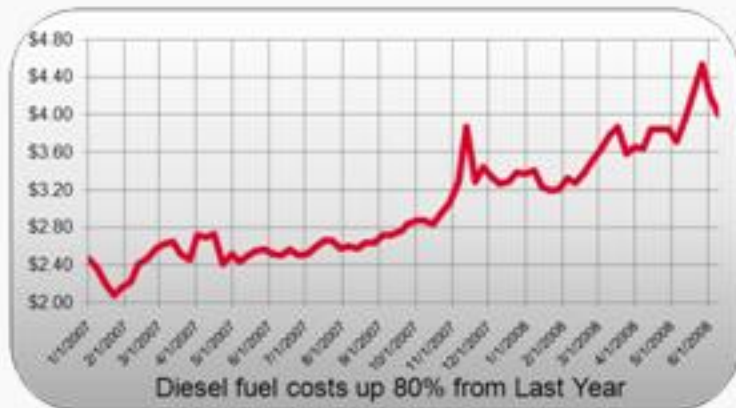
- **Believed '07 legislative action would result in financial smooth sailing**
- **Good News**
 - **Pension plan is financially healthy**
 - **Retiree health care seeded and in the hands of a Health Care Trust**
- **Like many Chicago households, CTA is feeling pinch of the economic down turn**
- **Lack of new capital funding puts additional pressure on the budget**



NEGATIVE BUDGET DRIVERS

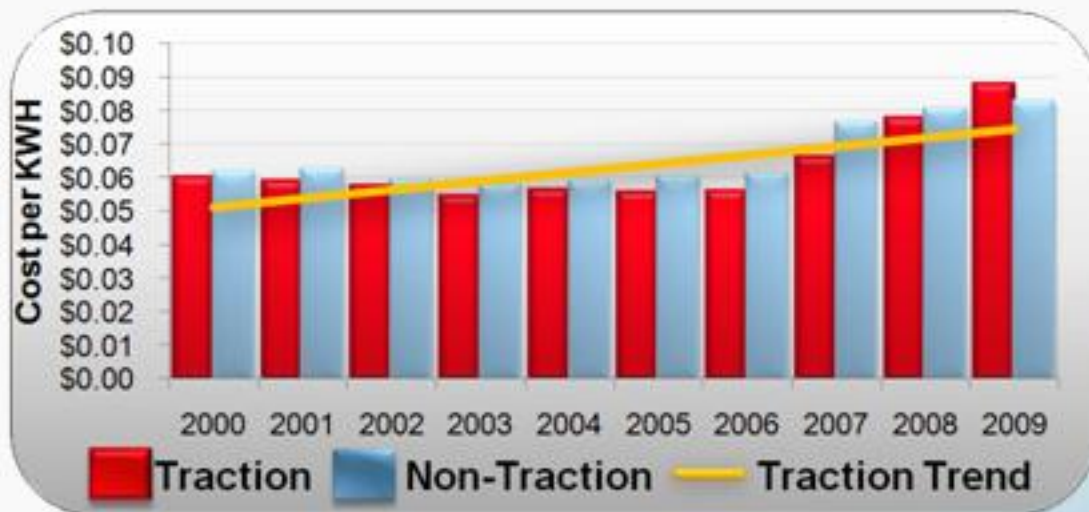


Higher Fuel/Energy Expenses



**\$30.1
Million.**

FUEL



**\$7.2
Mil.**

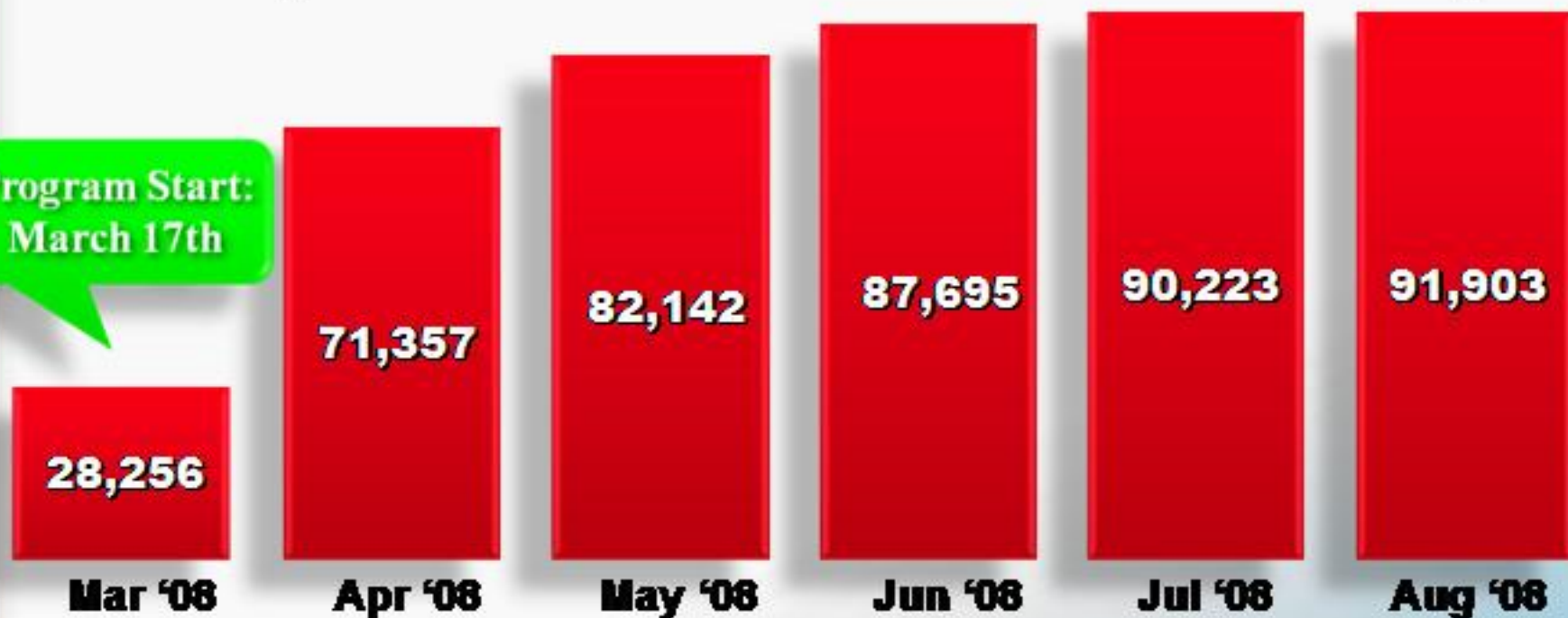
ENERGY

cta

Free Senior Rides Still Growing

Average CTA Senior Free Rides By Day

Program Start:
March 17th



Veto Impact -- \$16 Million in 2008

**Military/Disabled
Veteran Free
Rides**

Senior Free Rides

**Circuit Breaker
Disabled Free
Rides**

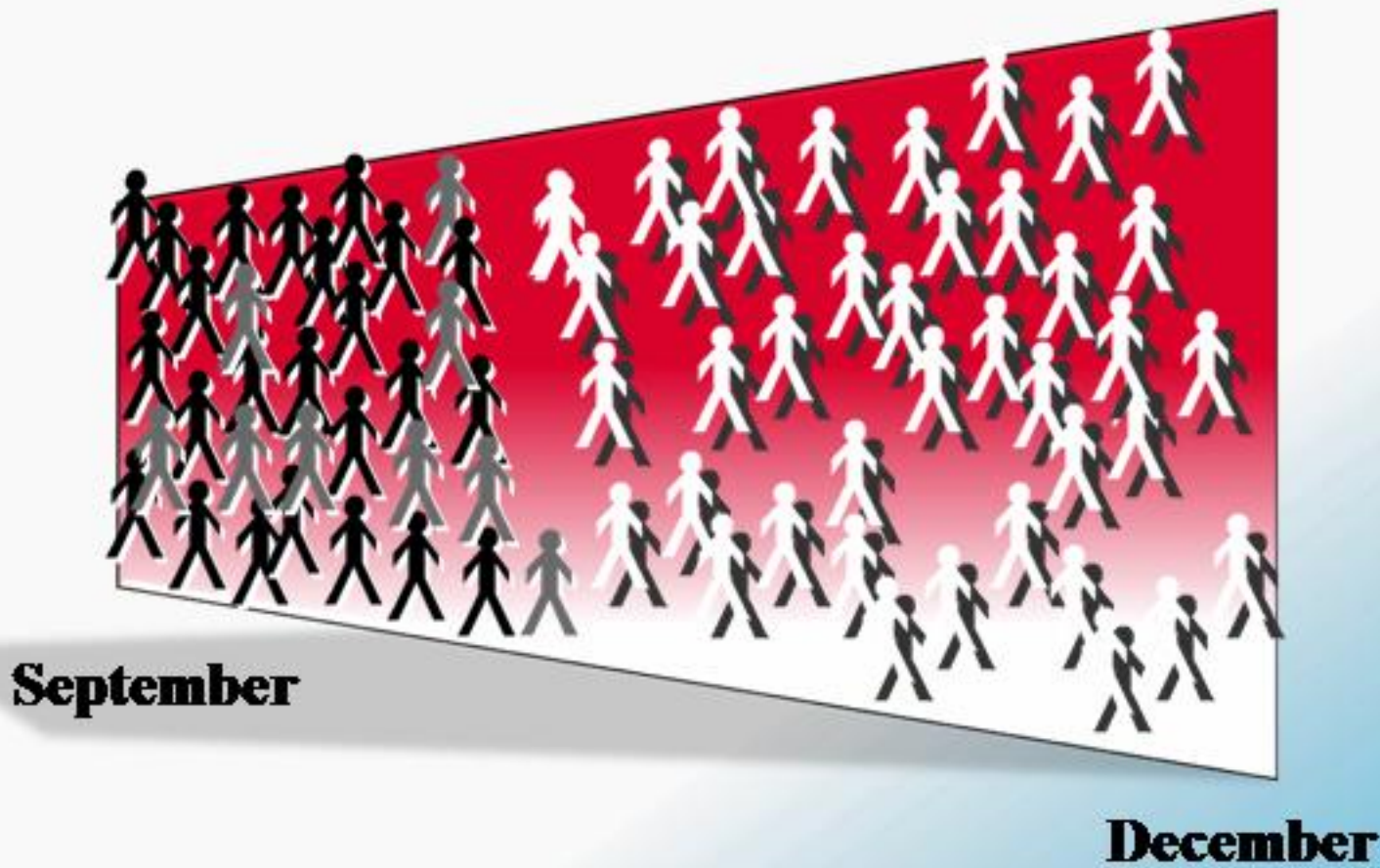
~~State
Subsidy~~

BELT TIGHTENING INITIATIVES



Leaning Administration in '08

- **43 non-union positions - \$4.9 Million**
- **80 positions by year end**



Outsourcing Refuse Collection

● **\$500,000 in savings**



Changing the Labor Mix

- **Budget uncertainty prevented hiring in early '08**
- **Fewer new and part-time employees**
- **To put buses out, forced to use full-time employees with seniority working OT**

BUS OPERATIONS OVERTIME AND HIRING



Overtime
3/08 – 7/08



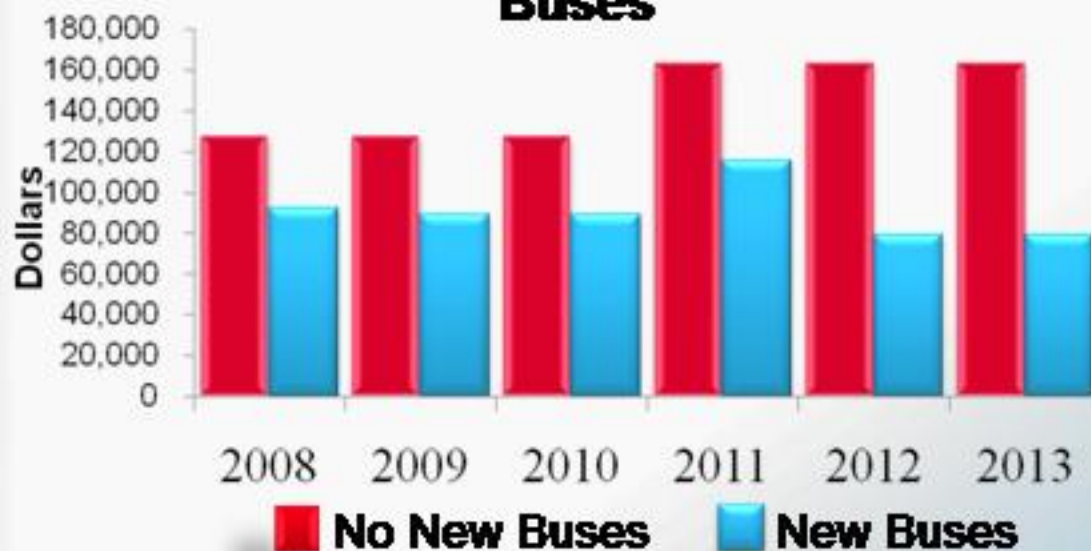
New Hires
3/08 – 7/08

Bus Maintenance Savings

- Replacing 1991 buses with leased New Flyers, has saved about \$32 million in '08



Maintenance Costs Without/ With New Buses



Technology Improves Supervision

Efficiency



Bus Tracker Units

- **16-hour-a-day coverage**
- **Focus on most delayed routes**



Incident Responder Units

- **Handle street blockages, accidents/incidents, disturbances, equipment defects, etc**



Special Events Units

- **Supervisors will be assigned across the City based on the number of special events**

