

**MINUTES OF A PUBLIC MEETING OF THE FINANCE COMMITTEE OF THE
BOARD OF DIRECTORS OF THE REGIONAL TRANSPORTATION AUTHORITY**

The Finance Committee of the Board of Directors of the Regional Transportation Authority met in public session on Thursday, October 20, 2016 at 9:35 a.m., in Suite 1650, 175 West Jackson Blvd., Chicago, Illinois, pursuant to notice.

Committee Chairman Magalis presided.

ROLL CALL

Committee members present (8): Anderson, Buchanan, Coulson, DeWitte, Lewis, Melvin, Troiani and Magalis

Other Board members present: Durante, Frega, Fuentes, Higgins, Hobson (phone), Pang, Ross, and Chairman Dillard

Approval of minutes from the meeting held on September 15, 2016

Director DeWitte moved, and Director Lewis seconded that the minutes from the meeting held on September 15, 2016 be approved as submitted. The motion carried on the following roll call vote:

8 Ayes: Directors Anderson, Buchanan, Coulson, DeWitte, Lewis, Melvin, Troiani and Magalis

Report on Monthly Financial Results – August 2016

Ms. Bea Reyna-Hickey provided a summary of the Service Board financial results for the year-to-date through August 2016. She stated that regional unemployment decreased to 5.3% in August, which was 0.4 percentage points higher than the national average. RTA system ridership through August was 3.4% unfavorable to budget and 2.6% lower than prior year in August. Ms. Reyna-Hickey reaffirmed that gas prices are still weighing on ridership; however other negative effects are coming from the car-sharing programs, like UberPOOL and Lyft Line. These programs allow you to share your ride and split the cost of your trip with other passengers traveling in a similar direction, while also providing the benefit of going door-to-door. Ms. Reyna-Hickey went on to state that these ride-sharing programs are undoubtedly affecting transit ridership, especially shorter trips. System operating revenue was \$8.3 million or 1.1% unfavorable to budget through August due to unfavorable ridership and lower accrual of the State reduced fare funding. Metra was the only Service Board with favorable fare revenue and operating revenue results. Pace Suburban Service and Pace ADA Paratransit posted the largest unfavorable variances, at 8.8% and 11.9% from budget, respectively. Regional public funding, however, was \$15.9 million or 1.7% favorable to budget due to favorable RETT results. Ms. Reyna-Hickey went on to say that system operating expenses through August were \$50.1 million or 2.9% favorable to budget. Each Service Board reported favorable to budget expenses year-to-date, primarily attributable to low fuel prices. Favorable public funding and expense results produced a net result for the system, which was \$57.8 million favorable to budget. Ms. Reyna-Hickey stated that the system-wide recovery ratio of 51.0% exceeded budget by 0.9 percentage points.

**APPROVED BY THE FINANCE COMMITTEE
NOVEMBER 17, 2016**

Director Magalis asked if there was any information available on Uber statistics in correlation to transit ridership. Ms. Reyna-Hickey replied that she believes there are some national statistics available but not regional data yet. Director Magalis responded by stating that, as ride-sharing programs grow, we might have to look at cutting back service. Ms. Reyna-Hickey informed Director Magalis that the Service Boards are in the process of seeking to collaborate with a few of the ride-sharing programs.

Director Lewis stated that, per the previous presentation provided by Ms. Allen on CTA bus ridership decline, Uber and Lyft probably have the greatest impact. He requested that when we look at the ride sharing vs. transit data, we should focus on where the biggest impact is coming from. Ms. Reyna-Hickey replied that we would look at this within the customer satisfaction surveys. Director Lewis asked if the recovery ratio of 51% vs. 50% is tight. Ms. Reyna-Hickey said yes, but expense performance has been good; however, there is pressure to meet the statutory recovery ratio because of the reduction in the state reduced fare reimbursement.

Director Magalis asked for clarification that there was an increase in recovery ratio for 2017. Ms. Reyna-Hickey confirmed there was - Metra agreed to a 0.5% increase, Pace to a 0.3% increase, and CTA to a 0.25% increase in 2017. The system will be tight, depending on the State Reduce Fare reimbursement.

ADJOURNMENT

There being no further business to come before the meeting of the Finance Committee, Director Buchanan moved, and Director Lewis seconded that the meeting adjourn. The motion carried on the following voice vote.

8 Ayes: Directors Anderson, Buchanan, Coulson, DeWitte, Lewis, Melvin, Troiani and Magalis

The meeting ended at 9:50 p.m.

Audrey MacLennan

AUDREY MACLENNAN

Secretary of the Authority