



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for March 2024
Date: May 8, 2024

I. Summary

CTA's financial results are \$9.2 million and \$28.2 million favorable to budget for March and year-to-date, respectively, primarily due to lower than anticipated labor costs and other expenses. Public funding for 2024 collected year-to-date totaled \$191.3 million, which is \$1.7 million favorable to budget. CTA has drawn down the full amount of CARES funding of \$817.5 million in addition to \$133.1 million of CRRSAA funding, which is approximately 36.8% of CTA's CRRSAA allocation, \$272.1 million of ARP funding, which is approximately 29.8% of CTA's ARP allocation, and \$32.7 million of ARP Discretionary funding, which is approximately 27.6% of CTA's ARP Discretionary allocation.

Ridership for the month was 24.9 million, which was 1.5 million higher than budget and 2.0 million higher than March 2023. Ridership year-to-date was 3.9 million higher than budget and 7.9 million higher than the prior year. The ridership increase over the prior year-to-date was due to continued recovery from the COVID-19 pandemic.

II. Cash & Liquidity

The chart below highlights CTA's cash position at March 2024 compared to March 2023.

| | March 2024 | March 2023 | Increase (Decrease) |
|----------------------------|---------------|---------------|------------------------|
| Unrestricted Cash | \$ 191,171 | \$ 193,209 | \$ (2,038) |
| Damage Reserve | 72,806 | 62,961 | \$ 9,845 |
| Funds Owed by RTA | 315,263 | 311,700 | \$ 3,563 |
| Trust Portfolio Assets | 520,282 | 541,835 | \$ (21,553) |
| Total Cash and Receivables | \$ 1,099,522 | \$ 1,109,705 | \$ (10,183) |

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$2.0 million lower than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$9.8 million higher than last year due to deposits into the fund offset by settlement payments. Funds owed by the RTA were approximately \$315.3 million which was \$3.6 million higher than the prior year due to the timing of payments from the State. 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 |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Fare & Pass Revenue | \$ 28,640 | \$ 507 | \$ 1,659 | \$ 79,569 | \$ 813 | \$ 4,754 |

- Fare and pass revenue for March was \$0.5 million favorable to budget due to higher than expected pass revenue. It was \$1.7 million favorable to prior year primarily due to higher pass revenues in addition to bus and rail full fare revenue. The average fare for the month was \$1.15 per ride and was \$0.05 lower than budget and \$0.03 lower than the prior year.
- Year-to-date fare and pass revenue was \$0.8 million favorable to budget due to higher than expected pass revenue. It was \$4.8 million favorable to prior year due to the continued recovery from the COVID-19 pandemic. The average fare for the year was \$1.14 per ride and was \$0.06 lower than budget and \$0.07 lower than the prior year.

| Category | Current Month | | | Full Year | | |
|----------------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Reduced Fare Subsidy | \$ 1,321 | \$ - | \$ 103 | \$ 3,962 | \$ - | \$ 310 |

- Reduced Fare Subsidy was on par with budget for the month and year-to-date and \$0.3 million favorable to prior year-to-date based on a higher expected reimbursement from the State in 2024 compared to 2023.

| Category | Current Month | | | Full Year | | |
|----------------------------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Advertising, Charter, Concession | \$ 2,463 | \$ (392) | \$ (383) | \$ 8,100 | \$ (478) | \$ (1,497) |

- Advertising, Charter and Concessions Revenue was \$0.4 million unfavorable to budget for the month due to lower than anticipated vehicle and platform advertising revenue. It was \$0.5 million unfavorable to budget for the year-to-date due to lower than anticipated vehicle and platform advertising and concession revenues. This revenue category was \$1.5 million lower than prior year due to less vehicle and platform advertising revenues received in 2024.

| Category | Current Month | | | Full Year | | |
|-------------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Investment income | \$ 981 | \$ 564 | \$ 292 | \$ 2,984 | \$ 1,734 | \$ 1,080 |

- Investment income was \$0.6 million and \$1.7 million favorable to budget for the month and the year-to-date, respectively. It was \$1.1 million higher than prior year-to-date due to fluctuations in the short-term market rates.

| Category | Current Month | | | Full Year | | |
|---------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Other Revenue | \$ 2,068 | \$ 183 | \$ 268 | \$ 5,932 | \$ 277 | \$ 503 |

- Other Revenue was \$0.2 million and \$0.3 million favorable to budget for the month and the year-to-date, respectively, due to higher than anticipated rental revenue and scrap material sales. Other revenue was \$0.3 million favorable to March 2023 and \$0.5 million favorable to the prior year-to-date due to higher non-capital grant revenue, scrap material sales, and rental revenues. Higher non-capital grant revenue is offset by higher non-capital grant expense in the Other Expenses category.

| Category | Current Month | | | Full Year | | |
|--------------------------------|---------------|------------------|-------------------------------|------------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Total System Generated Revenue | \$ 35,474 | \$ 863 | \$ 1,939 | \$ 100,547 | \$ 2,345 | \$ 5,151 |

- Total System-Generated Revenue was \$0.9 million and \$2.3 million favorable to budget for the month and the year-to-date, respectively, due to higher than anticipated pass revenue and investment income. It was \$1.9 million and \$5.2 million higher than March 2023 and prior year-to-date, respectively, due to higher fare and pass revenue and investment income.

IV. Expenses

| Category | Current Month | | | Full Year | | |
|----------|---------------|------------------|-------------------------------|------------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Labor | \$ 106,363 | \$ 6,498 | \$ (2,738) | \$ 317,954 | \$ 23,003 | \$ (17,778) |

- Labor expense was \$6.5 million favorable to budget for the month and \$23.0 million favorable for the year-to-date due to lower than anticipated labor costs. Labor expense was \$2.7 million unfavorable to March 2023 and \$17.8 million unfavorable to prior year-to-date due to the impact of contractual wage increases and increased hiring efforts to fill vacant positions.

| Category | Current Month | | | Full Year | | |
|----------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Material | \$ 11,247 | \$ (123) | \$ (1,167) | \$ 32,438 | \$ (81) | \$ (3,027) |

- Material expense was \$0.1 million unfavorable to budget for both the month and the year-to-date. It was \$1.2 million unfavorable to March 2023 and \$3.0 million unfavorable to prior year-to-date due to the timing of vehicle part usage and the increase in cost of materials.

| Category | Current Month | | | Full Year | | |
|----------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Fuel | \$ 3,379 | \$ 871 | \$ 85 | \$ 10,255 | \$ 2,264 | \$ (118) |

- Fuel for Revenue Equipment expense was \$0.8 million favorable to budget in March and \$2.3 million favorable year-to-date due to lower than anticipated usage. Slightly higher usage accounts for the unfavorable variance to the prior year-to-date.

| Category | Current Month | | | Full Year | | |
|----------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Power | \$ 3,107 | \$ (48) | \$ (1,172) | \$ 9,268 | \$ 777 | \$ (3,753) |

- The Electric Power for Revenue Equipment expense was slightly unfavorable to budget for the month. It was \$0.8 million favorable to budget for the year-to-date due to lower than anticipated usage. Traction power expense was \$3.8 million unfavorable to prior year-to-date due to higher ComEd rates.

| Category | Current Month | | | Full Year | | |
|----------------------------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Provision for Injuries & Damages | \$ 1,654 | \$ - | \$ 29 | \$ 4,963 | \$ - | \$ 87 |

- The Provision for Injuries & Damages expense was on par with budget for the month and year-to-date. The expense was \$0.1 million favorable to the prior year-to-date due to funding requirements.

| Category | Current Month | | | Full Year | | |
|-------------------------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Purchase of Security Services | \$ 10,014 | \$ (4,585) | \$ (6,438) | \$ 22,779 | \$ (6,492) | \$ (12,314) |

- Purchase of Security Services was \$4.6 million unfavorable to budget for the month and \$6.4 million unfavorable to March 2023 due to the timing of invoices and an increase in private security services. Year-to-date, expenses were \$6.5 million unfavorable to budget and \$12.3 million unfavorable to prior year due to the increase in private security services.

| Category | Current Month | | | Full Year | | |
|----------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Other Expenses | \$ 22,234 | \$ 5,683 | \$ 391 | \$ 77,230 | \$ 6,373 | \$ (5,745) |

- Other expenses were \$5.7 million favorable to budget for the month and \$6.4 million favorable to budget for the year-to-date due to the timing of contractual services invoices. Other expenses year-to-date were \$5.7 million unfavorable to prior year due to increased costs for contractual services and debt service for TIFIA loans. The other expense category includes the pension obligation bond expense, utilities, maintenance contracts, services, and other expenses.

| Category | Current Month | | | Full Year | | |
|--------------------------|---------------|------------------|-------------------------------|------------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Total Operating Expenses | \$ 157,998 | \$ 8,296 | \$ (11,010) | \$ 474,887 | \$ 25,844 | \$ (42,647) |

- Operating Expenses were \$8.3 million and \$25.8 million favorable to budget for the month and year-to-date, respectively, primarily due to lower than anticipated labor costs and other expenses. The unfavorable variance to prior year-to-date was primarily due to higher labor costs in addition to higher security and other expenses.

V. Recovery Ratio

| Category | Current Month | | | Full Year | | |
|----------------|---------------|------------------|-------------------------------|-----------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Recovery Ratio | 51.88% | (1.12) | | 46.16% | (12.38) | |

- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 51.88% for the month. This was unfavorable to budget by 1.12 percentage points for the month. Year-to-date, the recovery ratio was 46.16%, which was unfavorable to budget by 12.38 percentage points and favorable to the RTA required recovery ratio of 42.00% by 4.16 percentage points. The RTA is including the Federal

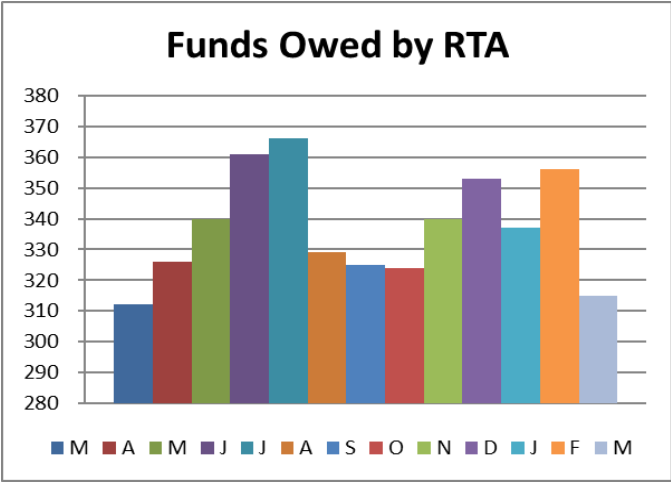
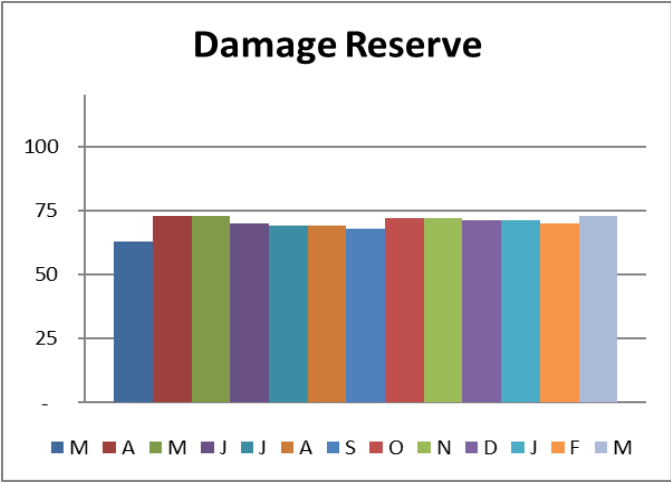
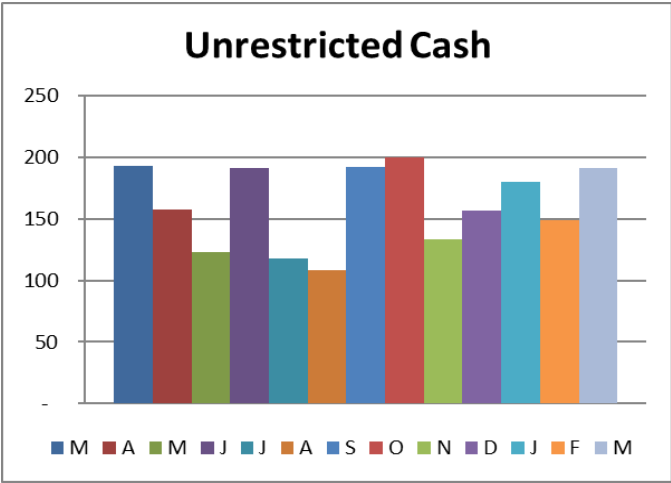
stimulus funds under the CARES, CRRSAA, and ARP Acts as replacement fare revenues for recovery ratio purposes. In late 2021, the Illinois legislature granted temporary recovery ratio relief for fiscal years 2021, 2022, and 2023 due to the ongoing pandemic. The legislature further extended the waiver through 2025.

VI. Ridership

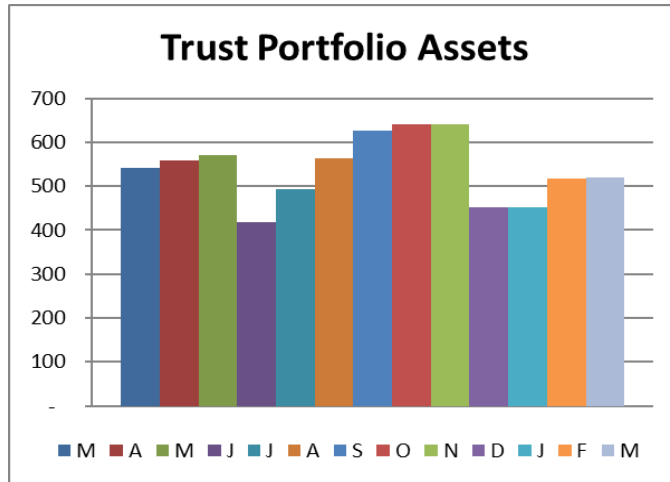
| Category | Current Month | | | Full Year | | |
|------------------------|---------------|------------------|-------------------------------|---------------|----------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Mar-24 | Budget Mar-24 | Prior Year Mar24 vs. Mar23 | 2024 | Budget 2024 | Prior Year 2023 |
| Bus | 14,794 | 927 | 1,289 | 42,086 | 2,744 | 5,275 |
| Rail | 8,576 | 543 | 672 | 23,752 | 1,119 | 2,360 |
| Rail to Rail Transfers | 1,531 | 4 | 49 | 4,207 | 41 | 282 |
| Total | 24,901 | 1,473 | 2,011 | 70,045 | 3,904 | 7,917 |

- Ridership for the month of March was 24.9 million and was 1.5 million higher than budget and 2.0 million higher than prior year.
- Calendar adjusted ridership was up 12.0% from prior year due to continued recovery from the COVID-19 pandemic.
- Ridership for the year-to-date was 70.0 million and was 3.9 million higher than budget and 7.9 million higher than the prior year-to-date.
- Calendar adjusted ridership was up 11.7% from the prior year-to-date.
- More details on ridership can be found in the March Ridership Report.

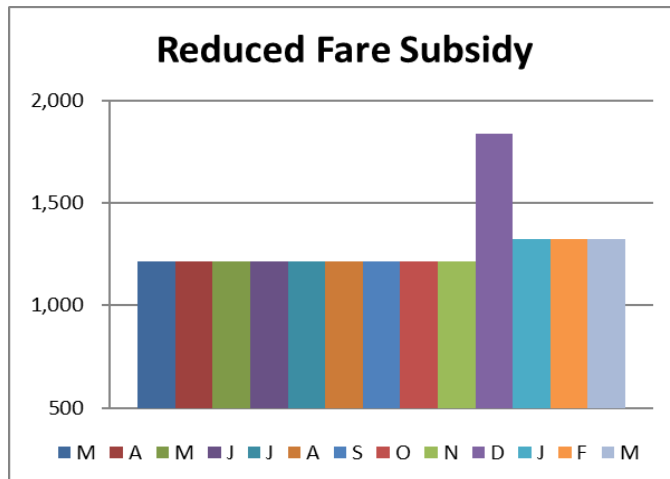
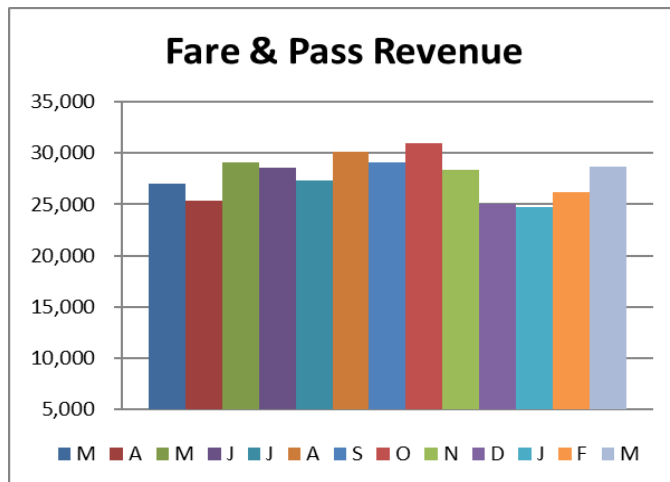
Cash & Liquidity



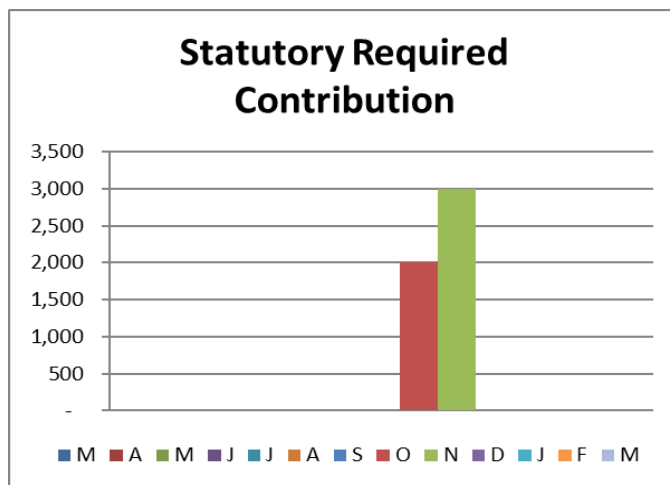
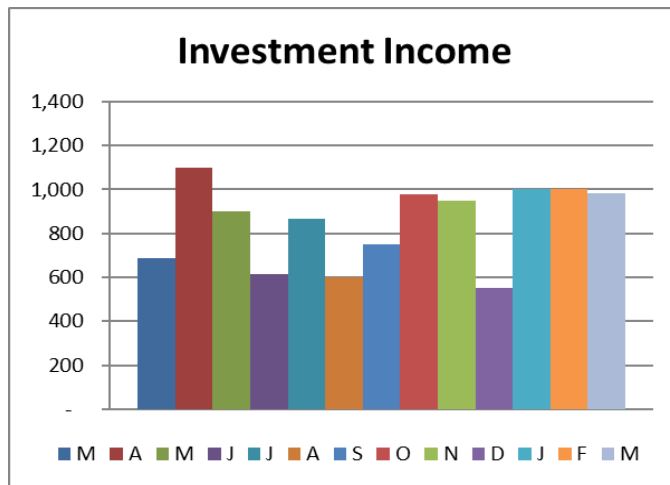
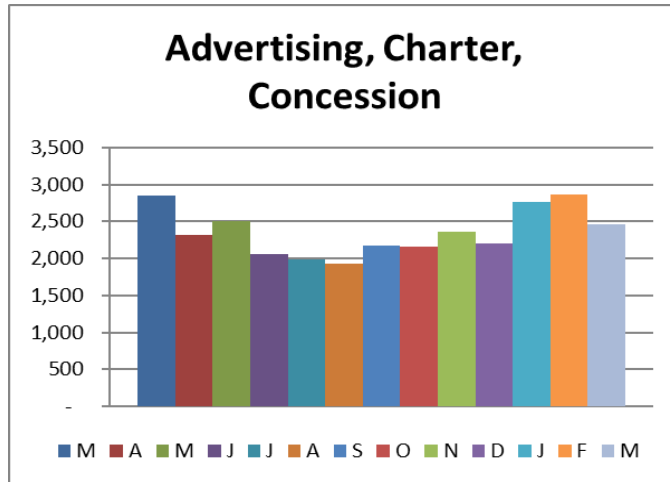
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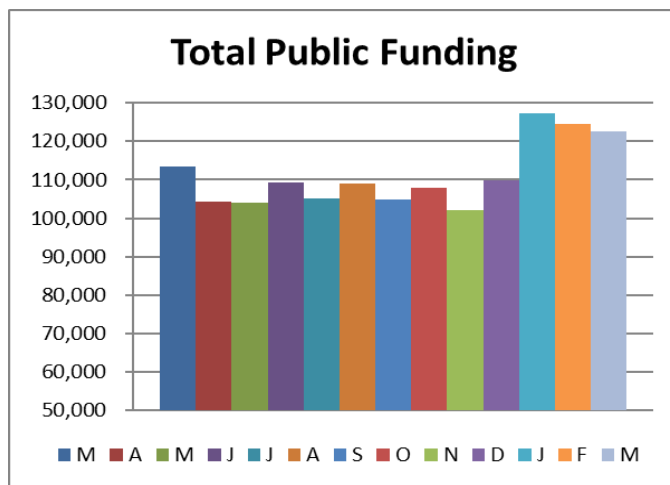
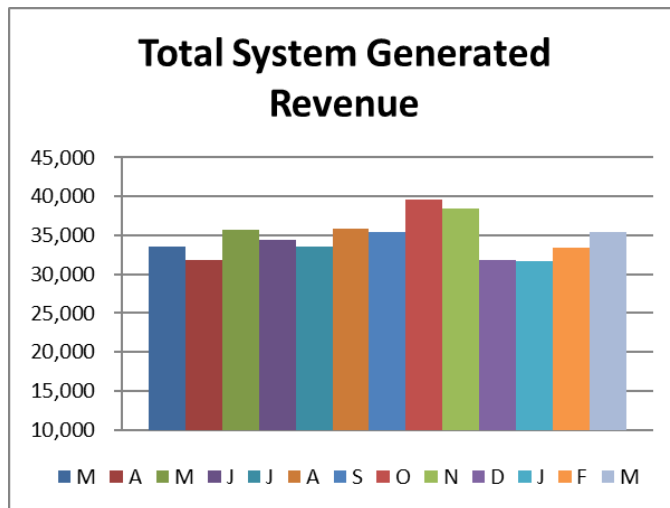
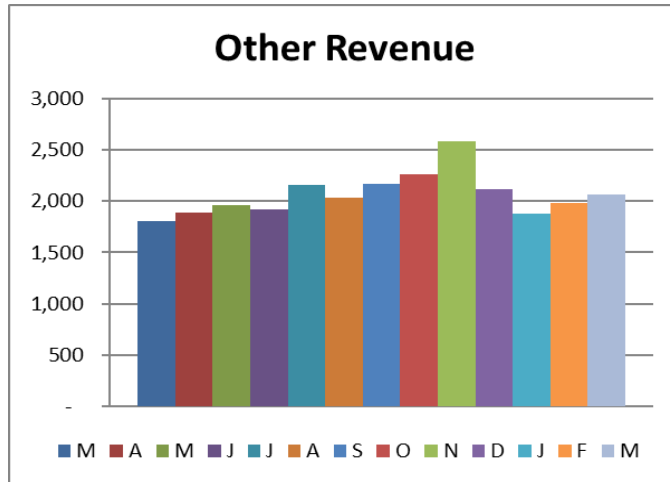
Revenue



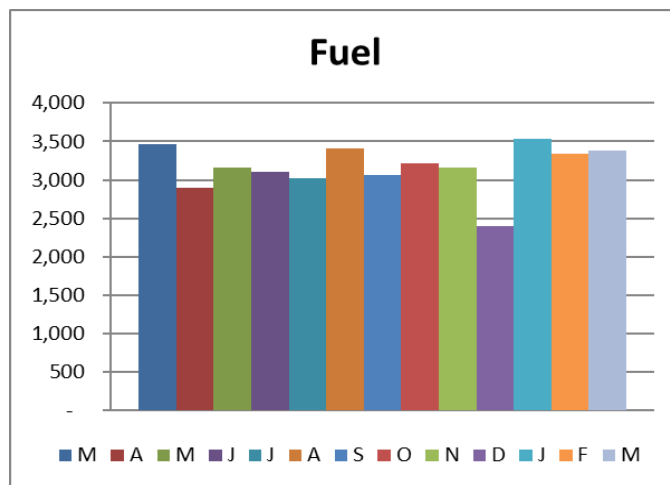
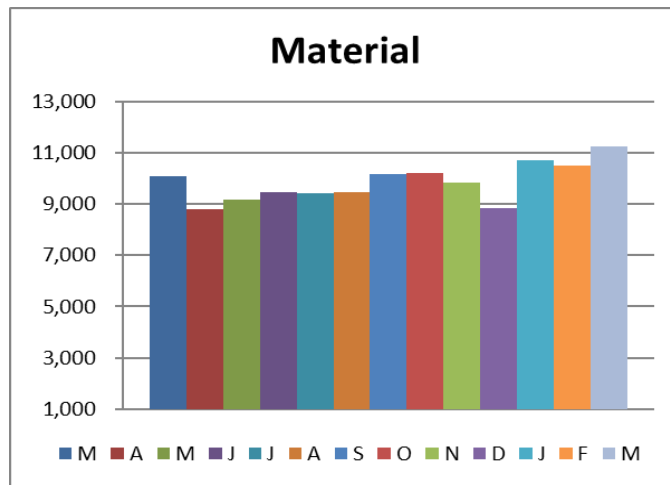
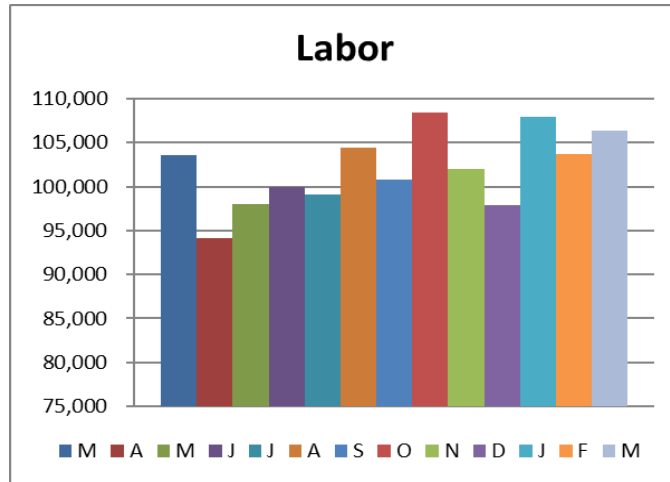
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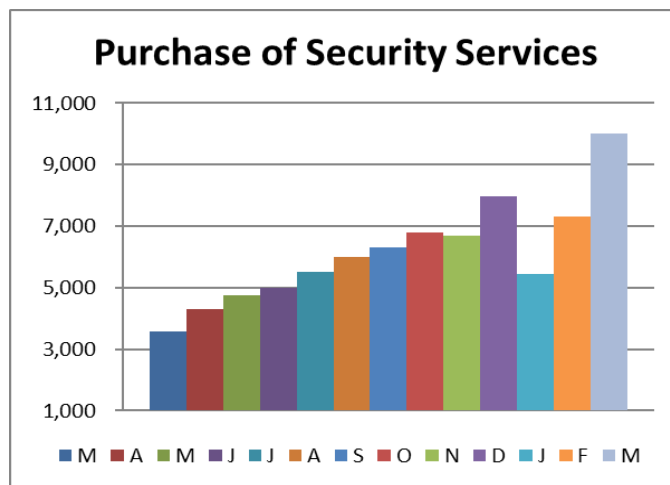
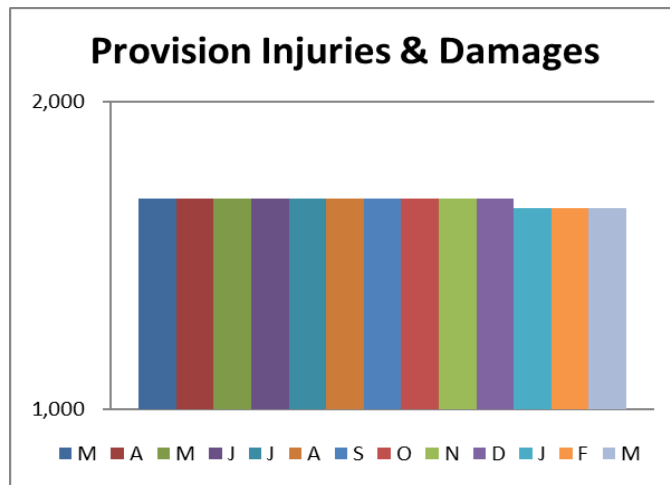
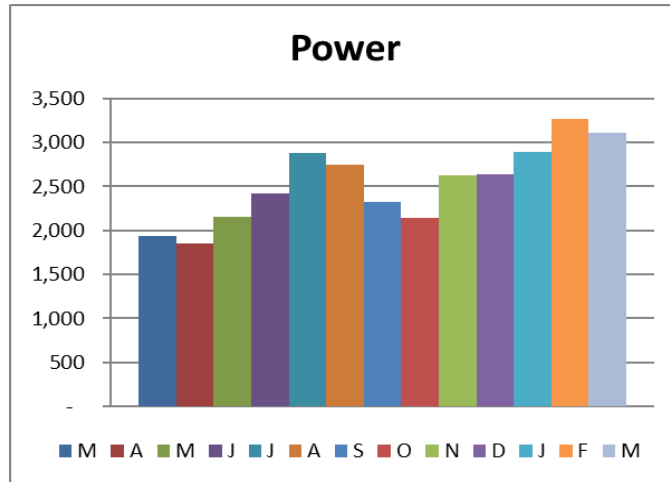
Revenue Cont'd



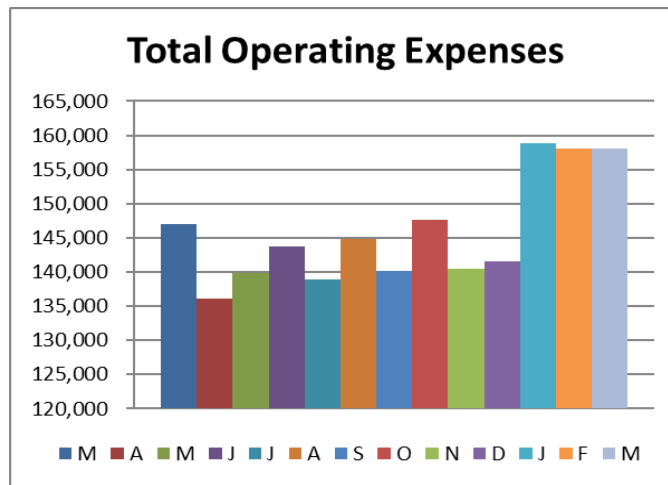
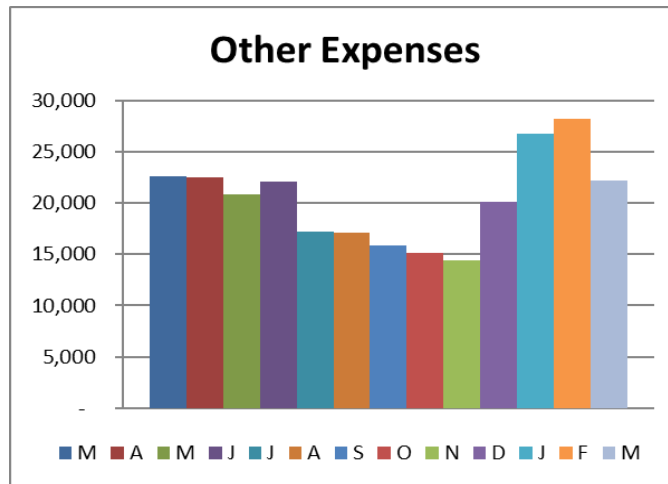
Expenses Cont'd



Expenses Cont'd



Expenses Cont'd



| Cash | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Unrestricted Cash | 193 | 158 | 123 | 191 | 118 | 108 | 192 | 200 | 133 | 157 | 180 | 149 | 191 |
| Damage Reserve | 63 | 73 | 73 | 70 | 69 | 69 | 68 | 72 | 72 | 71 | 71 | 70 | 73 |
| Funds Owed by RTA | 312 | 326 | 340 | 361 | 366 | 329 | 325 | 324 | 340 | 353 | 337 | 356 | 315 |
| Trust Portfolio Assets | 542 | 558 | 571 | 419 | 492 | 563 | 626 | 641 | 641 | 452 | 451 | 518 | 520 |

| Revenue | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Fare & Pass Revenue | 26,982 | 25,320 | 29,088 | 28,602 | 27,329 | 30,118 | 29,118 | 30,989 | 28,368 | 25,065 | 24,741 | 26,187 | 28,640 |
| Reduced Fare Subsidy | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,838 | 1,321 | 1,321 | 1,321 |
| Advertising, Charter, Concession | 2,846 | 2,311 | 2,504 | 2,060 | 1,984 | 1,923 | 2,171 | 2,164 | 2,366 | 2,205 | 2,768 | 2,869 | 2,463 |
| Investment Income | 689 | 1,099 | 901 | 613 | 866 | 602 | 751 | 979 | 947 | 553 | 1,000 | 1,003 | 981 |
| Statutory Required Contribution | - | - | - | - | - | - | - | 2,000 | 3,000 | - | - | - | - |
| Other Revenue | 1,800 | 1,888 | 1,966 | 1,920 | 2,162 | 2,038 | 2,169 | 2,261 | 2,579 | 2,120 | 1,881 | 1,983 | 2,068 |
| Total System Generated Revenue | 33,535 | 31,835 | 35,676 | 34,412 | 33,558 | 35,898 | 35,425 | 39,609 | 38,476 | 31,781 | 31,711 | 33,362 | 35,474 |
| Total Public Funding | 113,453 | 104,337 | 104,117 | 109,341 | 105,275 | 108,960 | 104,766 | 108,009 | 101,979 | 109,712 | 127,184 | 124,632 | 122,524 |

| Expenses | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Labor | 103,624 | 94,137 | 97,980 | 99,957 | 99,066 | 104,436 | 100,783 | 108,450 | 102,056 | 97,846 | 107,938 | 103,653 | 106,363 |
| Material | 10,080 | 8,773 | 9,167 | 9,463 | 9,416 | 9,447 | 10,175 | 10,184 | 9,812 | 8,825 | 10,687 | 10,504 | 11,247 |
| Fuel | 3,464 | 2,900 | 3,157 | 3,110 | 3,027 | 3,410 | 3,069 | 3,213 | 3,159 | 2,400 | 3,531 | 3,346 | 3,379 |
| Power | 1,935 | 1,847 | 2,156 | 2,422 | 2,880 | 2,750 | 2,325 | 2,138 | 2,625 | 2,640 | 2,891 | 3,271 | 3,107 |
| Provision Injuries & Damages | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,683 | 1,654 | 1,654 | 1,654 |
| Purchase of Security Services | 3,576 | 4,317 | 4,753 | 4,986 | 5,509 | 5,994 | 6,325 | 6,790 | 6,699 | 7,977 | 5,446 | 7,319 | 10,014 |
| Other Expenses | 22,624 | 22,515 | 20,896 | 22,132 | 17,252 | 17,137 | 15,830 | 15,160 | 14,421 | 20,123 | 26,748 | 28,248 | 22,234 |
| Total Operating Expenses | 146,988 | 136,172 | 139,793 | 143,753 | 138,833 | 144,858 | 140,191 | 147,618 | 140,455 | 141,494 | 158,895 | 157,994 | 157,998 |