



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for January 2024
Date: March 13, 2024

I. Summary

CTA's financial results for the month and year to date are impacted by the effect of the COVID-19 pandemic. CTA's financial results are \$10.2 million favorable to budget for January, primarily due to lower than anticipated labor costs. Public funding for 2024 collected in January totaled \$73.2 million, which is \$1.5 million unfavorable to budget. CTA has drawn down the full amount of CARES funding of \$817.5 million in addition to \$118.0 million of CRRSAA funding, which is approximately 32.7% of CTA's CRRSAA allocation, \$229.7 million of ARP funding, which is approximately 25.2% of CTA's ARP allocation, and \$27.0 million of ARP Discretionary funding, which is approximately 22.8% of CTA's ARP Discretionary allocation.

Ridership for the month was 21.4 million, which was 0.1 million higher than budget and 1.6 million higher than January 2023. 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 January 2024 compared to January 2023.

	January 2024	January 2023	Increase (Decrease)
Unrestricted Cash	\$ 180,157	\$ 119,310	\$ 60,847
Damage Reserve	71,310	78,282	\$ (6,972)
Funds Owed by RTA	337,333	391,130	\$ (53,797)
Trust Portfolio Assets	451,419	519,315	\$ (67,896)
Total Cash and Receivables	\$ 1,040,219	\$ 1,108,037	\$ (67,818)

CTA's total cash/receivables balance was equal to \$1.0 billion. Unrestricted cash was \$60.8 million higher than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$7.0 million lower than last year due to settlement payments offset by deposits into the fund. Funds owed by the RTA were approximately \$337.3 million which was \$53.8 million lower 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
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Fare & Pass Revenue	\$ 24,741	\$ (647)	\$ 77	\$ 24,741	\$ (647)	\$ 77

- Fare and pass revenue for January was \$0.6 million unfavorable to budget due to lower than expected rail and bus full fare revenue. It was \$0.1 million favorable to prior year primarily due to higher pass revenues. The average fare for the month was \$1.15 per ride and was \$0.03 lower than budget and \$0.09 lower than the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Reduced Fare Subsidy	\$ 1,321	\$ -	\$ 103	\$ 1,321	\$ -	\$ 103

- Reduced Fare Subsidy was on par with budget for the month and \$0.1 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
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Advertising, Charter, Concession	\$ 2,768	\$ (101)	\$ (25)	\$ 2,768	\$ (101)	\$ (25)

- Advertising, Charter and Concessions Revenue was \$0.1 million unfavorable to budget for the month due to lower than anticipated concession and billboard revenues and slightly lower than prior year due to less concession revenue received in 2024.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Investment income	\$ 1,000	\$ 584	\$ 368	\$ 1,000	\$ 584	\$ 368

- Investment income was \$0.6 million favorable to budget and \$0.4 million higher than prior year for the month due to fluctuations in the short-term market rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Other Revenue	\$ 1,881	\$ (5)	\$ 112	\$ 1,881	\$ (5)	\$ 112

- Other Revenue was slightly unfavorable to budget for the month due to lower than anticipated miscellaneous and parking lot revenues, which was partially offset by higher rental revenue. Other revenue was \$0.1 million favorable to January 2023 due to higher non-capital grant revenue and scrap material sales. 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
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Total System Generated Revenue	\$ 31,711	\$ (168)	\$ 635	\$ 31,711	\$ (168)	\$ 635

- Total System-Generated Revenue was \$0.2 million unfavorable to budget for the month due to lower than anticipated fare revenue. It was \$0.6 million higher than January 2023 due to higher pass revenue and investment income.

IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Labor	\$ 107,938	\$ 9,298	\$ (7,799)	\$ 107,938	\$ 9,298	\$ (7,799)

- Labor expense was \$9.3 million favorable to budget for the month due to lower than anticipated labor costs. Labor expense was \$7.8 million unfavorable to January 2023 due to the timing of open positions and the impact of contractual wage increases.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Material	\$ 10,687	\$ 30	\$ (697)	\$ 10,687	\$ 30	\$ (697)

- Material expense was slightly favorable to budget for the month and \$0.7 million unfavorable to January 2023 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
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Fuel	\$ 3,531	\$ 682	\$ (1)	\$ 3,531	\$ 682	\$ (1)

- Fuel for Revenue Equipment expense was \$0.7 million favorable to budget in January due to lower than anticipated usage. It was slightly unfavorable to January 2023.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Power	\$ 2,891	\$ 763	\$ (786)	\$ 2,891	\$ 763	\$ (786)

- The Electric Power for Revenue Equipment expense was \$0.8 million favorable to budget for the month of January due to lower than anticipated usage. Traction power expense was \$0.8 million unfavorable to January 2023 due to higher ComEd rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Provision for Injuries & Damages	\$ 1,654	\$ -	\$ 29	\$ 1,654	\$ -	\$ 29

- The Provision for Injuries & Damages expense was on par with budget for the month and slightly favorable to January 2023 due to funding requirements.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Purchase of Security Services	\$ 5,446	\$ (17)	\$ (2,046)	\$ 5,446	\$ (17)	\$ (2,046)

- Purchase of Security Services was slightly unfavorable to budget for the month and \$2.0 million unfavorable to January 2023 due to the timing of invoices and an increase in private security services.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-24	Budget Jan-24	Prior Year Jan24 vs. Jan23	2024	Budget 2024	Prior Year 2023
Other Expenses	\$ 26,748	\$ (386)	\$ (855)	\$ 26,748	\$ (386)	\$ (855)

- Other expenses were \$0.4 million unfavorable to budget for the month and \$0.9 million unfavorable to January 2023 due to the timing of contractual services invoices. The other expense category includes the pension obligation bond expense, utilities, maintenance contracts, services, and other expenses.

Category	Current Month			Full Year		
	Actual Jan-24	Variance to Budget Jan-24	Variance to Prior Year Jan24 vs. Jan23	Actual 2024	Variance to Budget 2024	Variance to Prior Year 2023
Total Operating Expenses	\$ 158,895	\$ 10,371	\$ (12,155)	\$ 158,895	\$ 10,371	\$ (12,155)

- Operating Expenses were \$10.4 million favorable to budget for the month primarily due to lower than anticipated labor costs. The unfavorable variance to prior year was primarily due to higher labor costs in addition to higher security expenses.

V. Recovery Ratio

Category	Current Month			Full Year		
	Actual Jan-24	Variance to Budget Jan-24	Variance to Prior Year Jan24 vs. Jan23	Actual 2024	Variance to Budget 2024	Variance to Prior Year 2023
Recovery Ratio	37.89%	(24.04)		37.89%	(24.04)	

- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 37.89% for the month. This was unfavorable to budget by 24.04 percentage points for the month and unfavorable to the RTA required recovery ratio of 42.00% by 4.11 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.

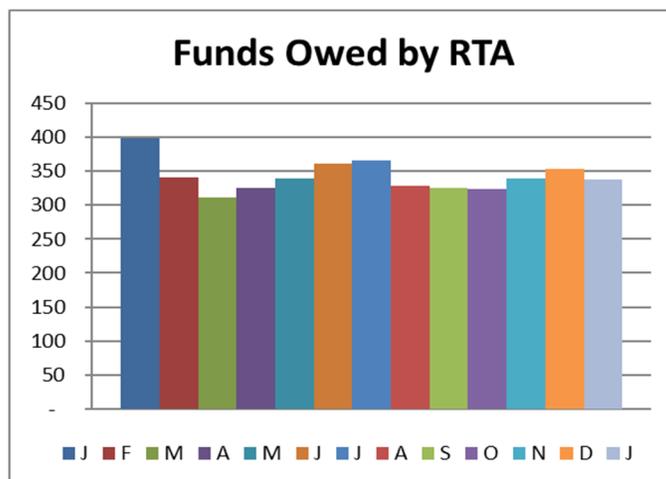
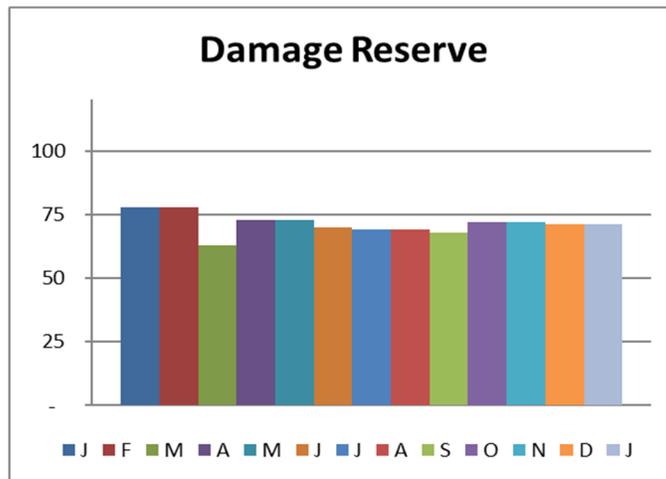
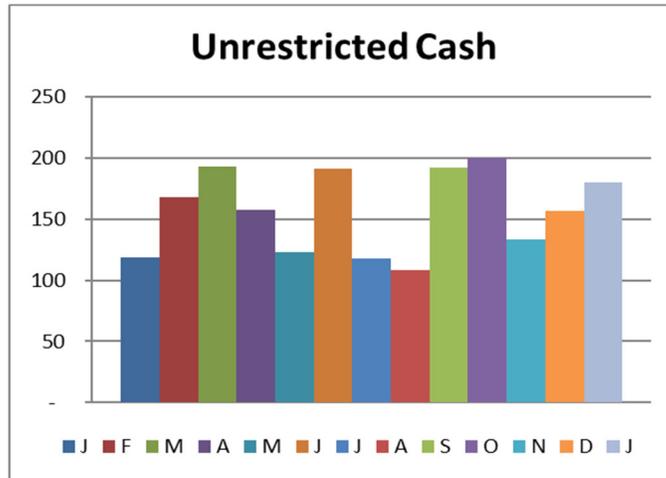
VI. Ridership

Category	Current Month			Full Year		
	Actual Jan-24	Variance to Budget Jan-24	Variance to Prior Year Jan24 vs. Jan23	Actual 2024	Variance to Budget 2024	Variance to Prior Year 2023
Bus	12,883	247	1,181	12,883	247	1,181
Rail	7,265	(96)	380	7,265	(96)	380
Rail to Rail Transfers	1,288	(84)	3	1,288	(84)	3
Total	21,435	67	1,564	21,435	67	1,564

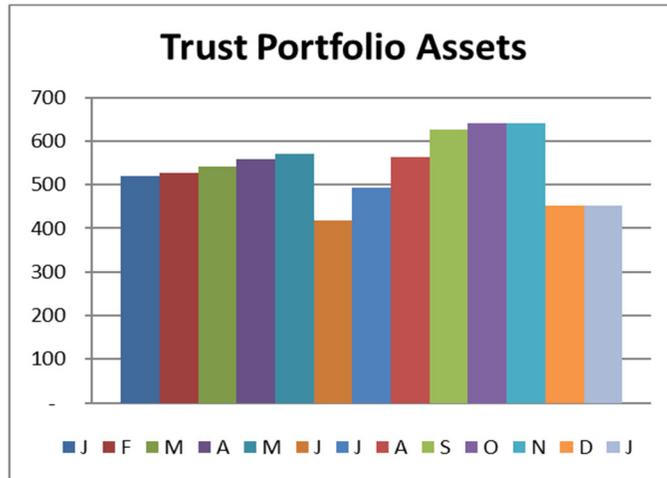
- Ridership for the month of January was 21.4 million and was 0.1 million higher than budget and 1.6 million higher than prior year.

- Calendar adjusted ridership was up 5.7% from prior year due to continued recovery from the COVID-19 pandemic.
- More details on ridership can be found in the January Ridership Report.

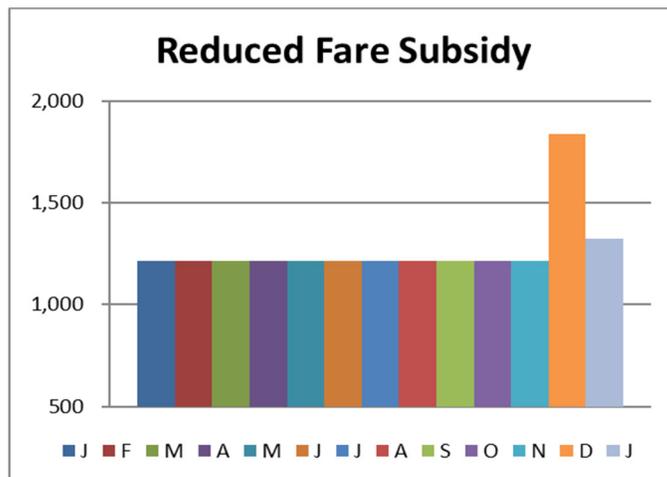
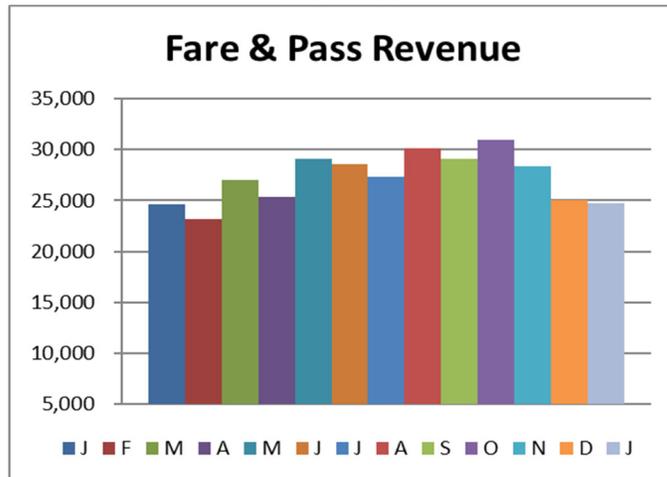
Cash & Liquidity



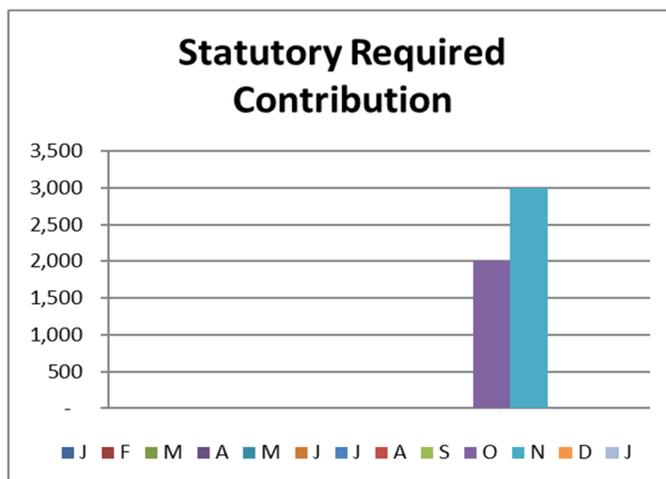
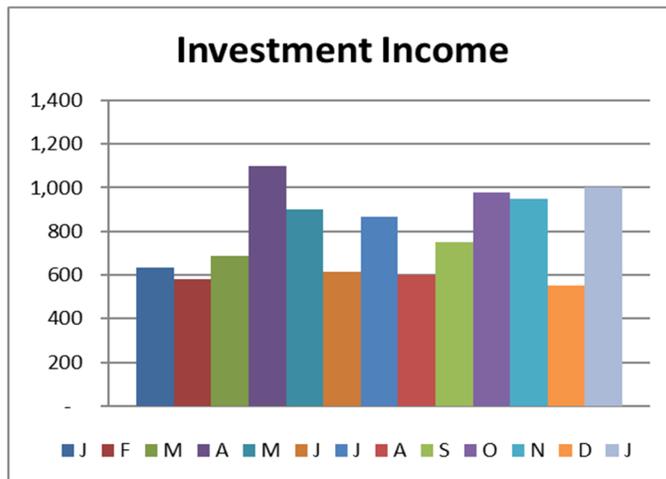
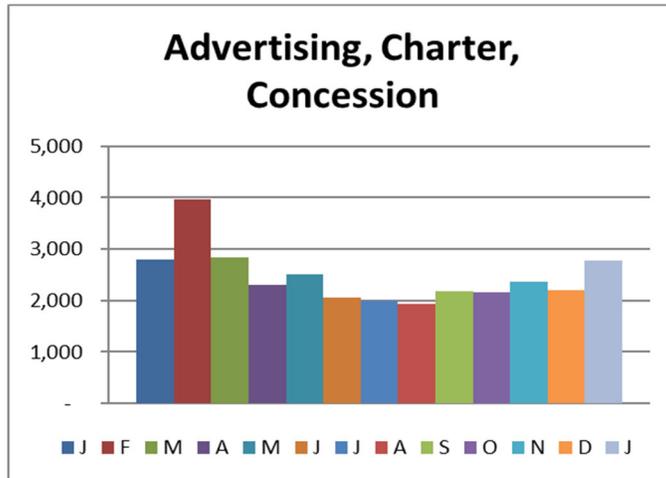
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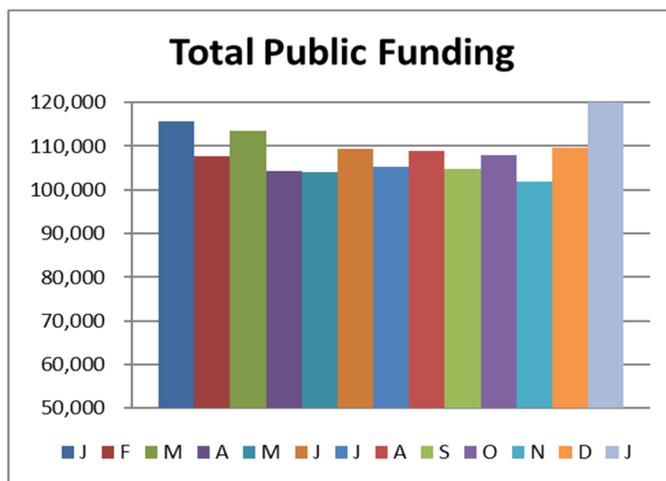
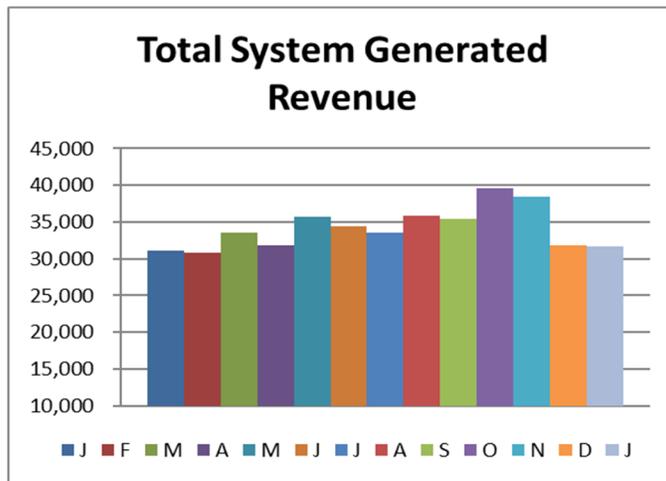
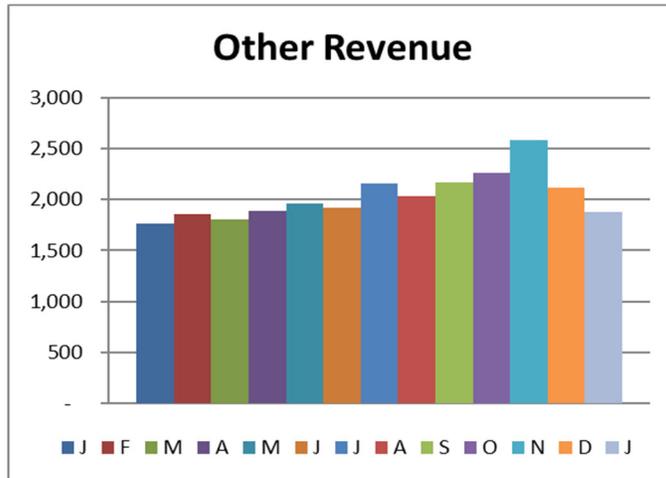
Revenue



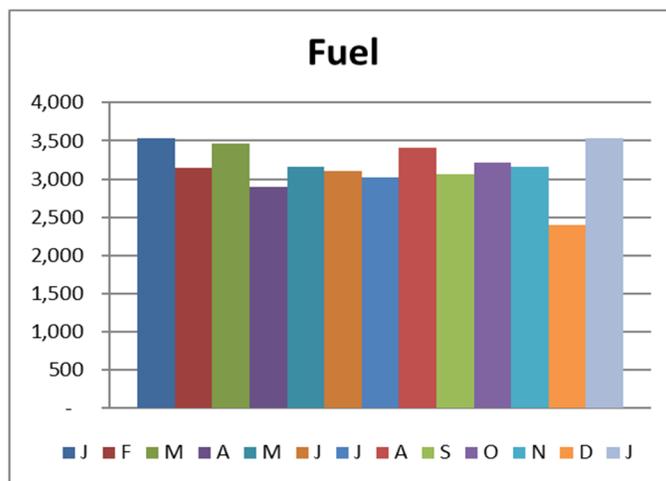
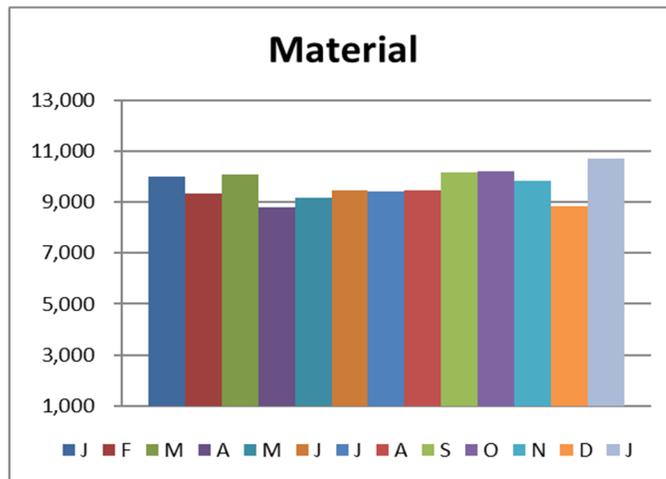
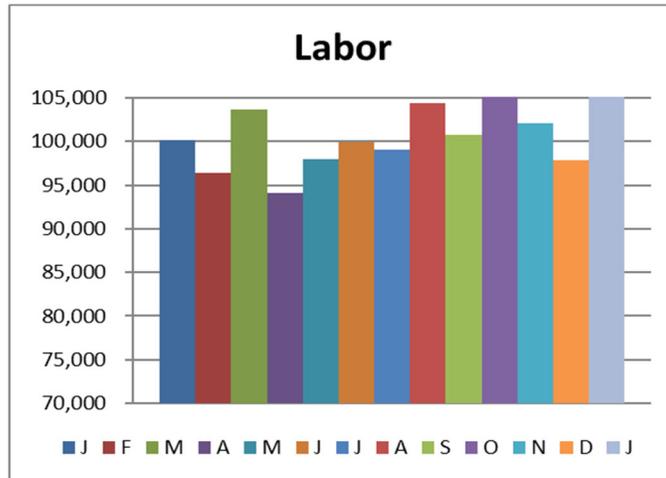
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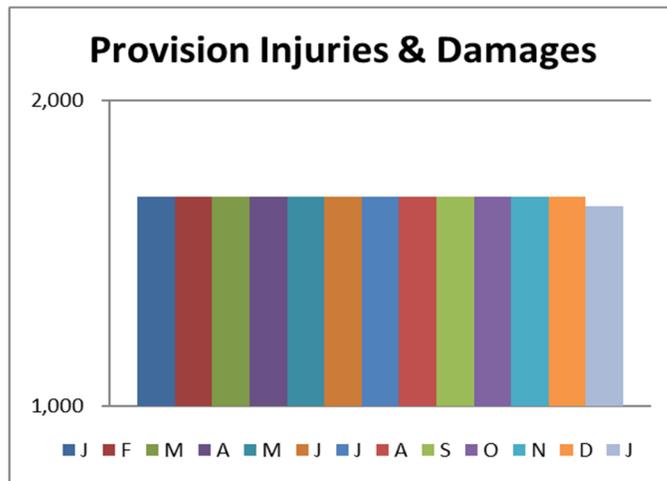
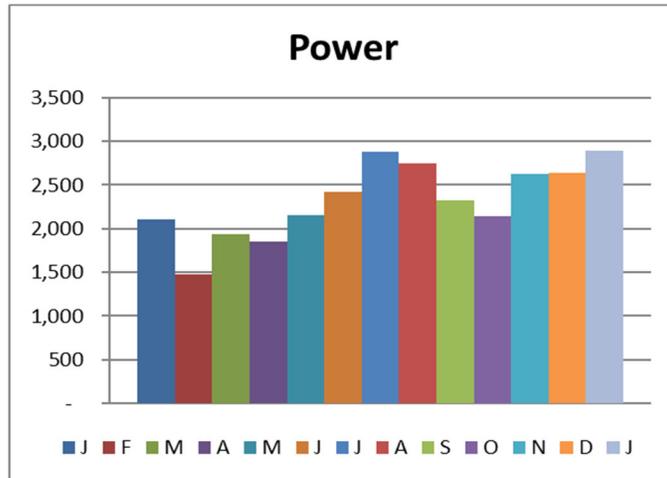
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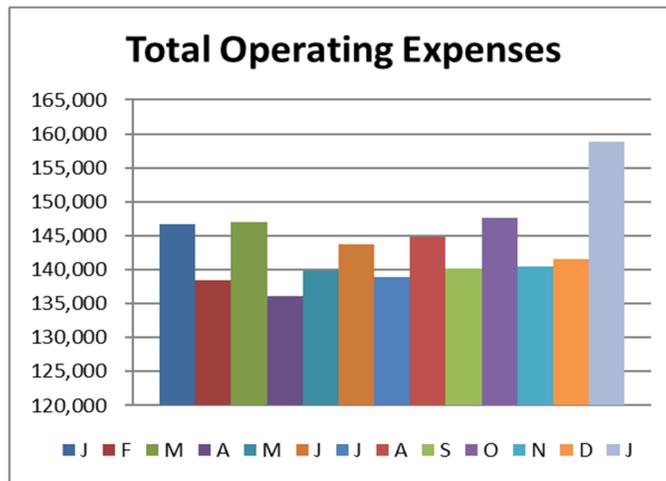
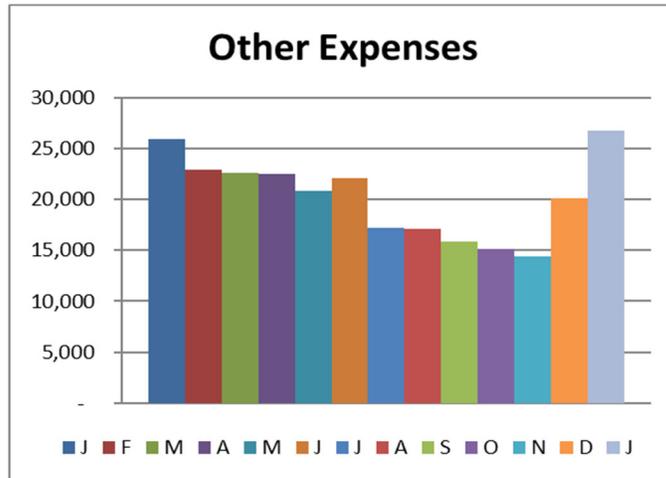
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Unrestricted Cash	119	168	193	158	123	191	118	108	192	200	133	157	180
Damage Reserve	78	78	63	73	73	70	69	69	68	72	72	71	71
Funds Owed by RTA	398	341	312	326	340	361	366	329	325	324	340	353	337
Trust Portfolio Assets	519	528	542	558	571	419	492	563	626	641	641	452	451

Revenue	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Fare & Pass Revenue	24,665	23,168	26,982	25,320	29,088	28,602	27,329	30,118	29,118	30,989	28,368	25,065	24,741
Reduced Fare Subsidy	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,838	1,321
Advertising, Charter, Concession	2,793	3,957	2,846	2,311	2,504	2,060	1,984	1,923	2,171	2,164	2,366	2,205	2,768
Investment Income	633	582	689	1,099	901	613	866	602	751	979	947	553	1,000
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	2,000	3,000	-	-
Other Revenue	1,768	1,860	1,800	1,888	1,966	1,920	2,162	2,038	2,169	2,261	2,579	2,120	1,881
Total System Generated Revenue	31,076	30,785	33,535	31,835	35,676	34,412	33,558	35,898	35,425	39,609	38,476	31,781	31,711
Total Public Funding	115,664	107,728	113,453	104,337	104,117	109,341	105,275	108,960	104,766	108,009	101,979	109,712	127,184

Expenses	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Labor	100,139	96,413	103,624	94,137	97,980	99,957	99,066	104,436	100,783	108,450	102,056	97,846	107,938
Material	9,990	9,341	10,080	8,773	9,167	9,463	9,416	9,447	10,175	10,184	9,812	8,825	10,687
Fuel	3,530	3,143	3,464	2,900	3,157	3,110	3,027	3,410	3,069	3,213	3,159	2,400	3,531
Power	2,104	1,476	1,935	1,847	2,156	2,422	2,880	2,750	2,325	2,138	2,625	2,640	2,891
Provision Injuries & Damages	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,654
Purchase of Security Services	3,400	3,489	3,576	4,317	4,753	4,986	5,509	5,994	6,325	6,790	6,699	7,977	5,446
Other Expenses	25,893	22,967	22,624	22,515	20,896	22,132	17,252	17,137	15,830	15,160	14,421	20,123	26,748
Total Operating Expenses	146,740	138,513	146,988	136,172	139,793	143,753	138,833	144,858	140,191	147,618	140,455	141,494	158,895