



To: Chicago Transit Authority Board
From: Tom McKone, Chief Financial Officer
Re: Financial Results for December 2024
Date: February 12, 2025

I. Summary

CTA's financial results for December show an unfavorable variance of \$37.0 million, mainly due to higher-than-budgeted labor and an additional year-end payment to the injuries and damages reserve. For the year-to-date results, the CTA is \$70.5 million favorable to budget, primarily driven by lower other expenses, mainly contractual services, and labor costs in addition to higher-than-budgeted investment income. Public funding collected for 2024 year-to-date totaled \$977.9 million, which is \$11.7 million favorable to budget. CTA has drawn down the full amount of CARES funding of \$817.5 million in addition to \$361.3 million of CRRSAA funding, \$912.1 million of ARP funding, and \$118.4 million of ARP Discretionary funding.

Ridership for the month was 22.9 million, which was 1.1 million higher than budget and 0.8 million higher than December 2023. Ridership year-to-date was 20.2 million higher than budget and 30.1 million higher than the prior year. CTA's continued improved service delivery is the primary driver behind the increased year-over-year ridership.

II. Cash & Liquidity

The chart below highlights CTA's cash position in December 2024 compared to December 2023.

	December 2024	December 2023	Increase (Decrease)
Unrestricted Cash	\$ 779,809	\$ 156,837	\$ 622,972
Damage Reserve	58,623	71,484	\$ (12,861)
Funds Owed by RTA	352,048	350,185	\$ 1,863
Trust Portfolio Assets	446,522	452,418	\$ (5,896)
Total Cash and Receivables	\$ 1,637,002	\$ 1,030,924	\$ 606,078

CTA's total cash/receivables balance was \$1.6 billion. Unrestricted cash was \$623.0 million higher than the prior year due to the receipt of federal relief funding in addition to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$12.9 million lower than last year due to settlement payments offset by deposits into the fund. Funds owed by the RTA were approximately \$352.0 million which was \$1.9 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 represent bond proceeds held in Trust for funding capital projects and making required debt service payments and therefore go down when payments are made.

III. Revenue

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Fare & Pass Revenue	\$ 25,857	\$ (34)	\$ 791	\$ 351,099	\$ 5,982	\$ 22,289

- In December, fare and pass revenue was slightly unfavorable to budget. Compared to prior year, this reflects a revenue increase of \$0.8 million, primarily attributed to higher 30-day and 1-day pass revenue. The average fare for the month was \$1.13 per ride, which was \$0.06 lower than the budgeted rate and on par with the average fare in the prior year.
- Year-to-date fare and pass revenue was \$6.0 million higher than budget, due to favorable pass revenue from higher-than-expected ridership. Compared to the previous year, revenue has increased \$22.3 million, largely attributed to increased ridership from expanded service. The average fare for the year is \$1.14 per ride, which is \$0.06 lower than budgeted and \$0.04 lower than last year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Reduced Fare Subsidy	\$ 1,453	\$ 132	\$ (385)	\$ 16,640	\$ 793	\$ 1,413

- The Reduced Fare Subsidy was \$0.1 million and \$0.8 million higher than budget for the month and year-to-date, respectively. It was \$0.4 million unfavorable over December 2023 and \$1.4 million higher for the year-to-date, due to 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
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Advertising, Charter, Concession	\$ 2,638	\$ (215)	\$ 433	\$ 31,521	\$ (2,317)	\$ 2,235

- Advertising, Charter, and Concessions Revenue was \$0.2 million unfavorable to budget for the month, primarily due to lower-than-expected vehicle and platform advertising revenue. Year-to-date, revenue was \$2.3 million below budget, mainly due to a reduced advertising revenues. Year-to-date revenue was \$2.2 million higher than the prior year, primarily due to additional revenue from bus charter services provided during the Democratic National Convention.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-24	Dec-24	Dec24 vs. Dec23	2024	2024	2023
Investment income	\$ 2,138	\$ 1,722	\$ 1,585	\$ 12,822	\$ 7,822	\$ 3,608

- Investment income was \$1.7 million and \$7.8 million favorable to budget for the month and the year-to-date, respectively. This is a \$3.6 million increase over prior year-to-date due to fluctuations in the short-term market rates and an increase in the cash and investments balance.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-24	Dec-24	Dec24 vs. Dec23	2024	2024	2023
Other Revenue	\$ 1,854	\$ (31)	\$ (265)	\$ 23,579	\$ 958	\$ (950)

- Other Revenue was slightly unfavorable to budget for the month. Year-to-date, it was \$1.0 million favorable to budget, driven by increased rental revenue, non-capital grant revenue, and scrap material sales. For the month, Other Revenue was \$0.3 million lower than the prior year due to decreased non-capital grant revenue. Year-to-date, it was \$1.0 million unfavorable compared to the prior year, primarily due to lower movie-generated revenue and non-capital grant revenues, which were partially offset by increased parking lot and rental revenues. The decline in non-capital grant revenue was balanced by a corresponding decrease in non-capital grant expenses.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-24	Dec-24	Dec24 vs. Dec23	2024	2024	2023
Total System Generated Revenue	\$ 33,940	\$ 1,574	\$ 2,159	\$ 440,661	\$ 13,238	\$ 28,595

- Total System-Generated Revenue was \$1.6 million favorable to budget for the month and \$13.2 million favorable year-to-date, driven by higher-than-expected pass revenue and investment income. Compared to December 2023, revenue increased by \$2.2 million for the month, and was \$28.6 million higher year-to-date, primarily due to the growth in both pass revenue and investment income.

IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Labor	\$ 139,683	\$ (27,695)	\$ (41,837)	\$ 1,350,041	\$ 9,789	\$ (145,154)

- Labor expense was \$27.7 million unfavorable to budget for the month. It was \$9.8 million favorable for the year-to-date due to lower labor costs from higher than planned vacancies. Labor expense was \$41.8 million higher than December 2023 and year-to-date labor expense was \$145.2 million higher than prior year, primarily due to contractual wage increases and increased staffing necessary for expanded service delivery.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Material	\$ 9,818	\$ 721	\$ (993)	\$ 129,197	\$ 1,431	\$ (14,524)

- Material expense was \$0.7 million favorable to budget for the month and \$1.4 million favorable for the year-to-date due to the timing of vehicle parts purchases. This was \$1.0 million higher than December 2023 and \$14.5 million higher than 2023 for year-to-date due to the timing of vehicle part purchases and the increased material costs.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Fuel	\$ 3,736	\$ 404	\$ (1,337)	\$ 41,478	\$ 7,596	\$ (3,897)

- Fuel for Revenue Equipment expense was \$0.4 million favorable to budget in December and \$7.6 million favorable year-to-date due to lower than anticipated usage along with favorable fuel prices. Compared to prior year, fuel is \$1.3 million higher for December and \$3.9 million higher year-to-date driven by slightly higher usage.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Power	\$ 4,875	\$ (1,426)	\$ (2,236)	\$ 35,802	\$ 927	\$ (8,504)

- Traction Power for Revenue Equipment expense was \$1.4 million unfavorable to budget for the month. It was \$0.9 million favorable to budget year-to-date due to lower than anticipated usage. Traction power expense was \$8.5 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
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Provision for Injuries & Damages	\$ 11,654	\$ (10,000)	\$ (9,971)	\$ 29,850	\$ (10,000)	\$ (9,650)

- The Provision for Injuries & Damages expense was \$10.0 million unfavorable to budget for both the month and year-to-date due to an increase in settlement payments in 2024. The expense was \$9.7 million unfavorable to the prior year-to-date due to an increase in settlement payments in 2024.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Purchase of Security Services	\$ 10,450	\$ (5,021)	\$ 2,827	\$ 91,627	\$ (26,477)	\$ (22,512)

- Purchase of Security Services was \$5.0 million unfavorable to budget for the month and \$2.8 million favorable to December 2023 due to additional private security deployments on the system and the timing of payments. On a year-to-date basis, expenses were \$26.5 million unfavorable to budget and \$22.5 million unfavorable to prior year due to the increase in private security services. These results are largely consistent with our forecast for the year for security services.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Other Expenses	\$ 26,492	\$ 4,483	\$ (6,369)	\$ 260,546	\$ 73,982	\$ (23,595)

- Other expenses were \$4.5 million favorable to budget for the month and \$74.0 million favorable to budget for the year-to-date due to lower than expected contractual services and additional credit for the pension obligation bond expense. Other expenses year-to-date were \$23.6 million higher than 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
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Total Operating Expenses	\$ 206,709	\$ (38,535)	\$ (59,916)	\$ 1,938,541	\$ 57,248	\$ (227,834)

- Operating Expenses were \$38.5 million unfavorable to budget for the month due to higher than anticipated labor costs and injuries and damages expenses. Operating Expenses were \$57.2 million favorable to budget for the year-to-date primarily due to lower than anticipated

other expenses and labor costs. The unfavorable variance to prior year-to-date was primarily due to higher labor costs in addition to higher security and other expenses, which are detailed above.

V. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Recovery Ratio	53.39%	13.42		51.91%	(0.59)	

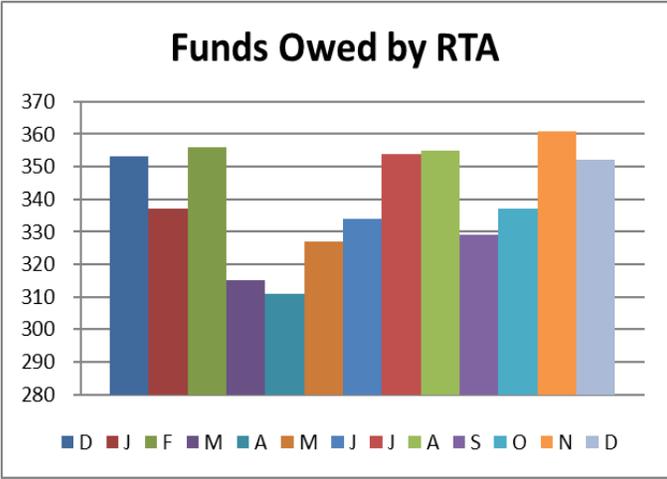
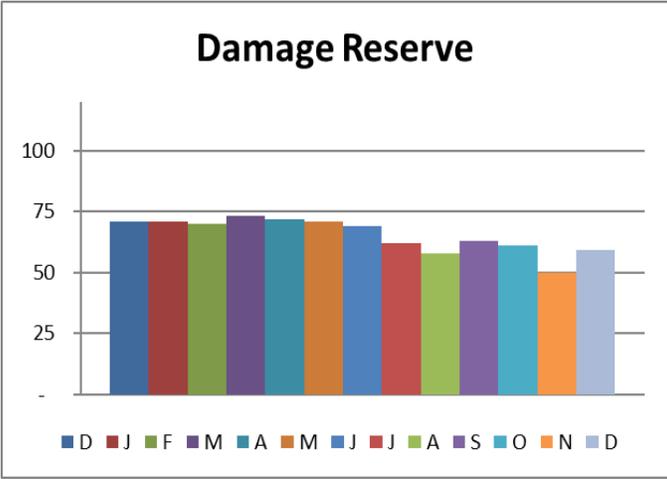
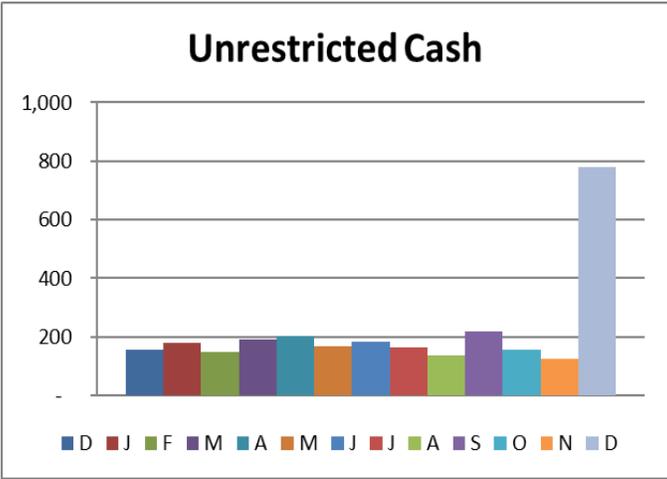
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 53.39% for the month. This was favorable to budget by 13.42 percentage points for the month. Year-to-date, the recovery ratio was 51.91%, which was unfavorable to budget by 0.59 percentage points but favorable to the RTA required recovery ratio of 42.00% by 9.91 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 pandemic. The legislature further extended the waiver through 2025.

VI. Ridership

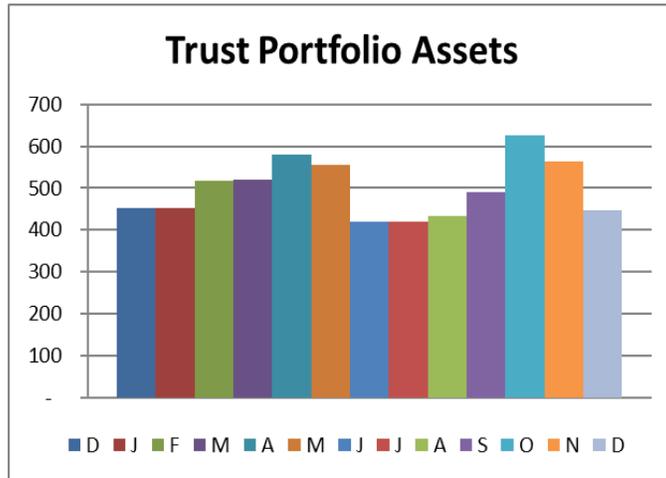
Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-24	Budget Dec-24	Prior Year Dec24 vs. Dec23	2024	Budget 2024	Prior Year 2023
Bus	13,705	679	397	181,734	13,668	20,034
Rail	7,762	253	267	108,217	5,373	8,374
Rail to Rail Transfers	1,391	118	118	19,246	1,114	1,642
Total	22,858	1,050	782	309,197	20,155	30,051

- Ridership for December was 22.9 million, 1.1 million higher than budget and 0.8 million higher than prior year.
- Calendar adjusted ridership was up 2.4% from prior year due to increased ridership from CTA's continued expansion of service delivery.
- Ridership for the year-to-date was 309.2 million, 20.2 million higher than budget and 30.1 million higher than the prior year-to-date.
- Calendar adjusted ridership was up 10.3% from the prior year-to-date.
- More details on ridership can be found in the December Ridership Report.

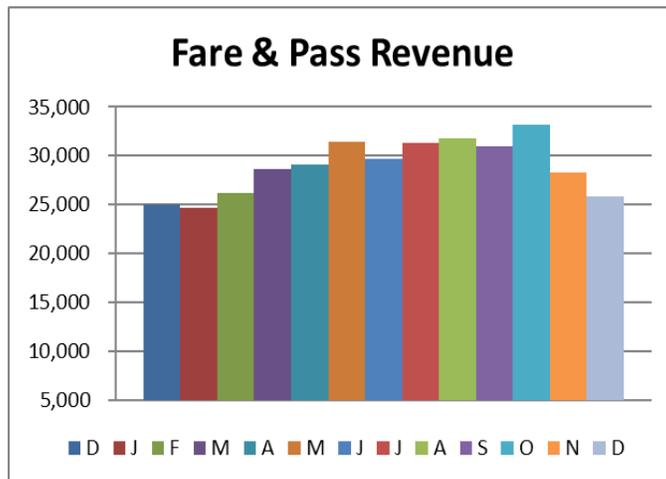
Cash & Liquidity



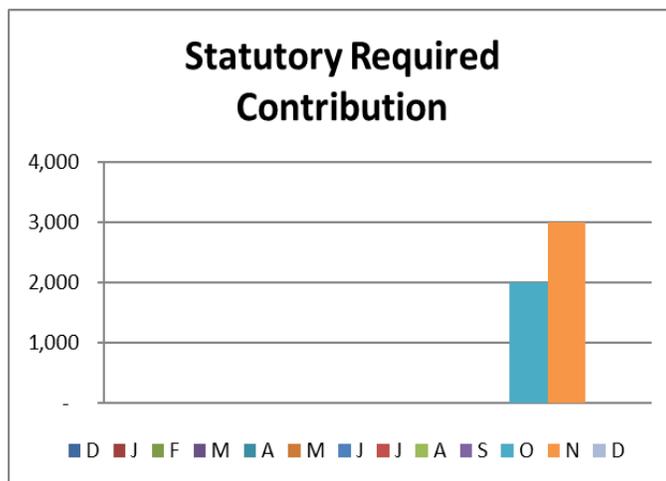
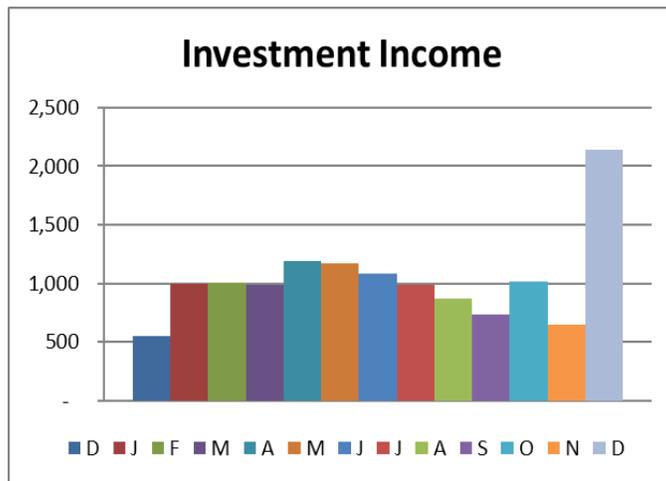
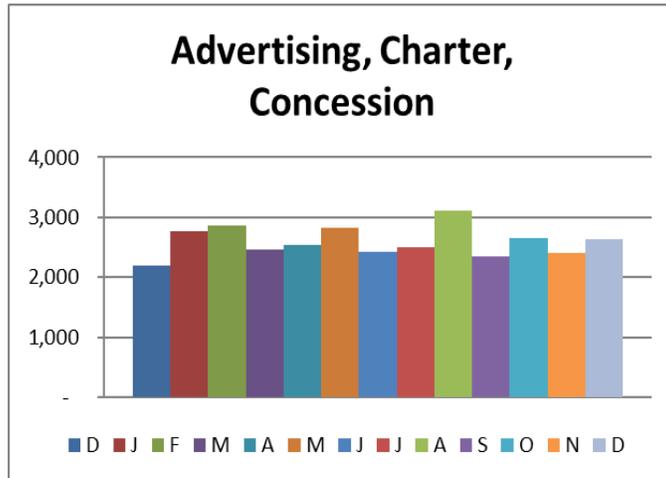
Cash & Liquidity Cont'd



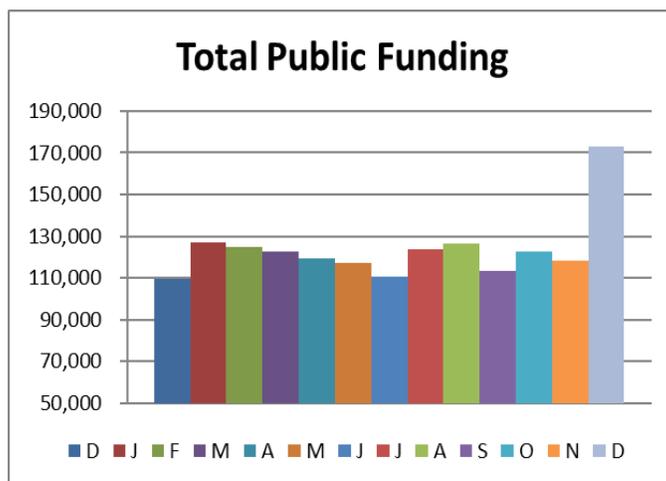
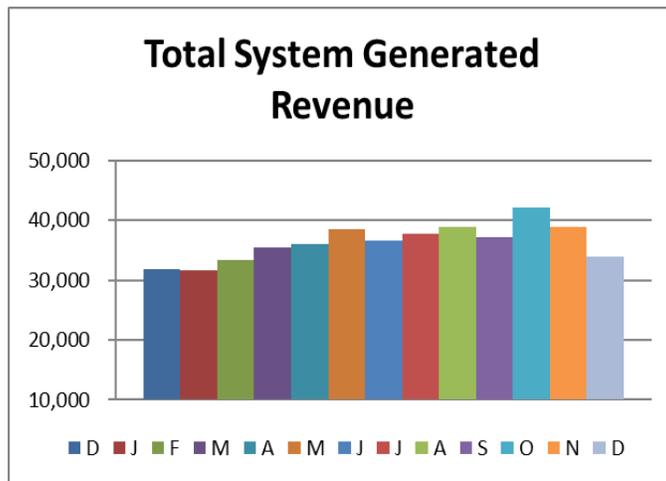
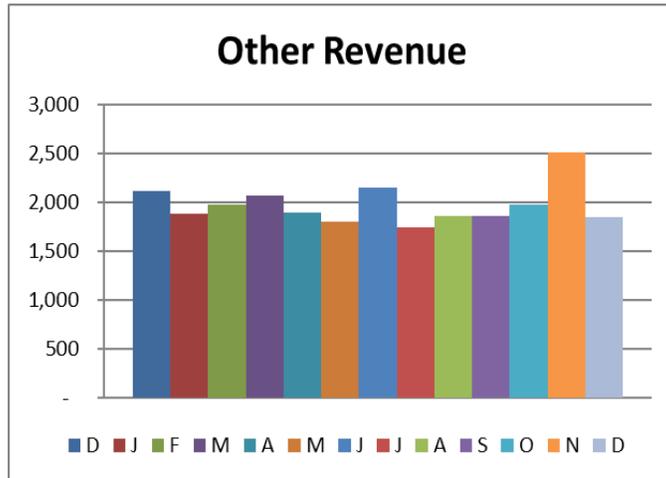
Revenue



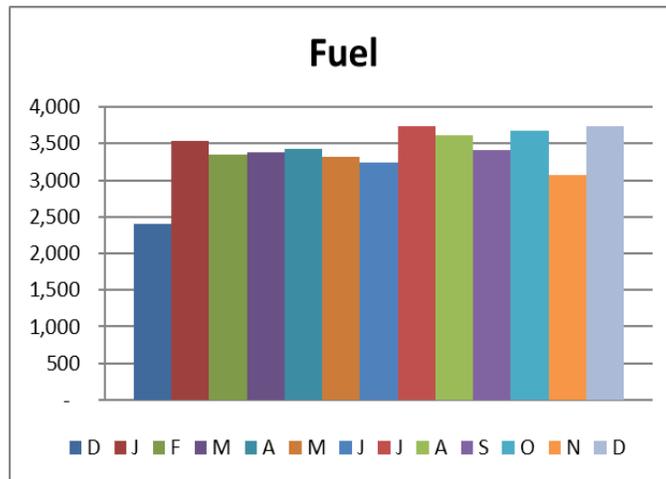
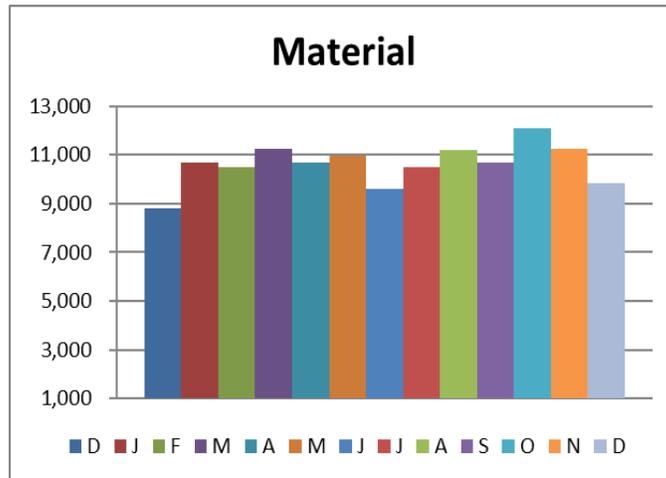
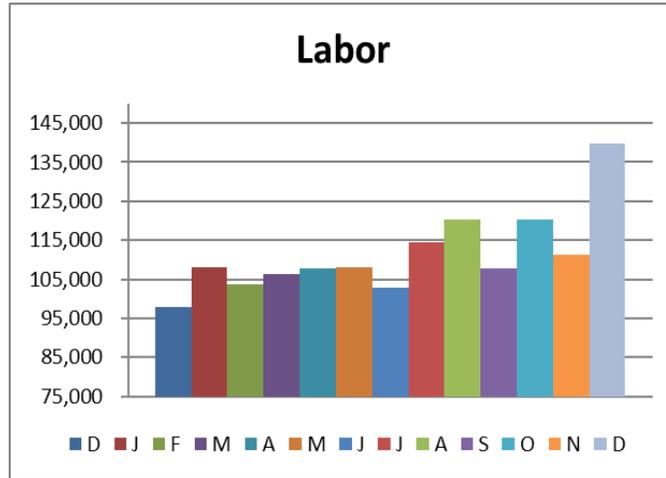
Revenue Cont'd



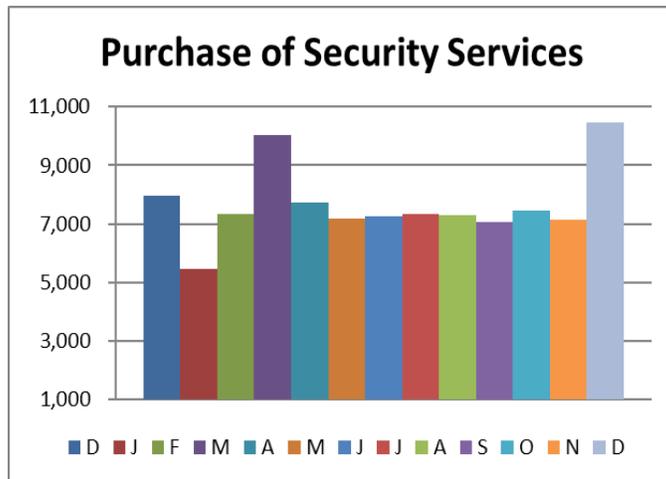
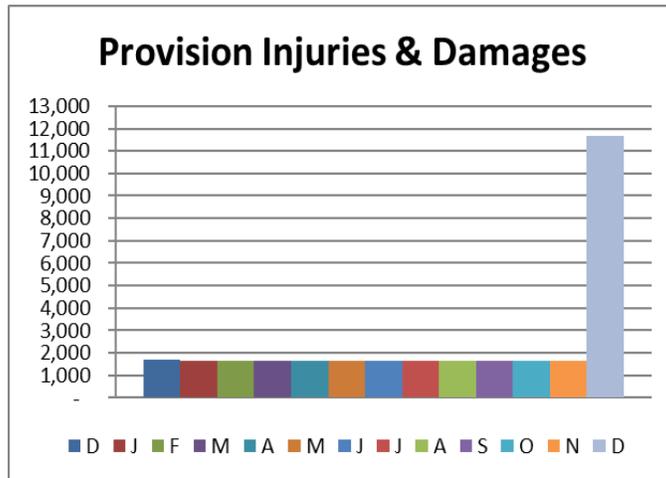
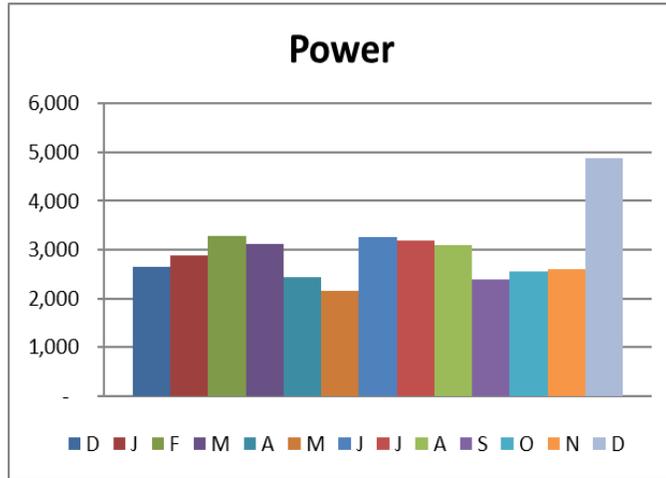
Revenue Cont'd



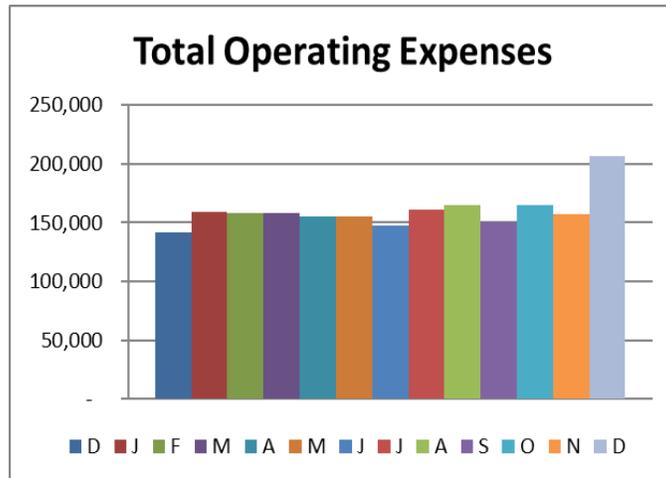
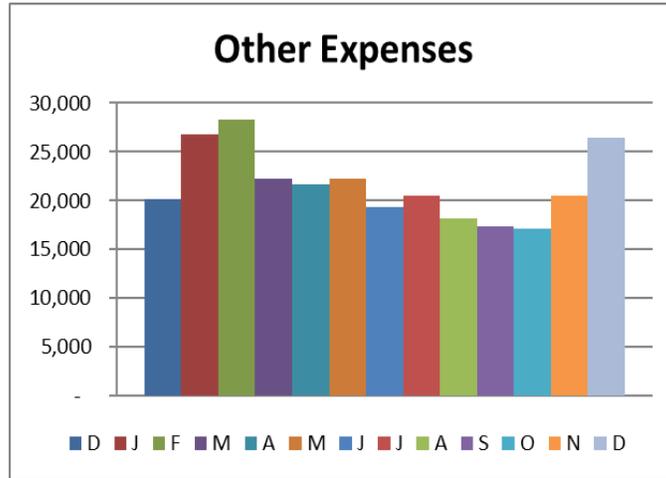
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Unrestricted Cash	157	180	149	191	202	166	183	165	137	220	156	124	780
Damage Reserve	71	71	70	73	72	71	69	62	58	63	61	50	59
Funds Owed by RTA	353	337	356	315	311	327	334	354	355	329	337	361	352
Trust Portfolio Assets	452	451	518	520	581	556	420	421	434	491	625	563	447

Revenue	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Fare & Pass Revenue	25,065	24,741	26,187	28,640	29,108	31,448	29,650	31,275	31,786	30,946	33,156	28,303	25,857
Reduced Fare Subsidy	1,838	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,981	1,453
Advertising, Charter, Concession	2,205	2,768	2,869	2,463	2,531	2,821	2,415	2,494	3,116	2,352	2,645	2,410	2,638
Investment Income	553	1,000	1,003	981	1,194	1,174	1,087	986	869	733	1,011	645	2,138
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	-	2,000	3,000	-
Other Revenue	2,120	1,881	1,983	2,068	1,890	1,803	2,153	1,741	1,862	1,856	1,974	2,514	1,854
Total System Generated Revenue	31,781	31,711	33,362	35,474	36,044	38,567	36,626	37,816	38,954	37,208	42,107	38,853	33,940
Total Public Funding	109,712	127,184	124,632	122,524	119,222	116,989	110,613	123,433	126,373	113,043	122,671	118,427	172,770

Expenses	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Labor	97,846	107,938	103,653	106,363	107,678	108,087	102,882	114,387	120,283	107,699	120,244	111,144	139,683
Material	8,825	10,687	10,504	11,247	10,668	10,977	9,596	10,481	11,187	10,673	12,114	11,245	9,818
Fuel	2,400	3,531	3,346	3,379	3,423	3,314	3,247	3,738	3,616	3,405	3,675	3,068	3,736
Power	2,640	2,891	3,271	3,107	2,429	2,144	3,269	3,188	3,091	2,391	2,556	2,590	4,875
Provision Injuries & Damages	1,683	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	1,654	11,654
Purchase of Security Services	7,977	5,446	7,319	10,014	7,717	7,177	7,251	7,326	7,295	7,048	7,460	7,123	10,450
Other Expenses	20,123	26,748	28,248	22,234	21,697	22,202	19,339	20,474	18,200	17,381	17,075	20,457	26,492
Total Operating Expenses	141,494	158,895	157,994	157,998	155,266	155,556	147,239	161,249	165,327	150,250	164,778	157,280	206,709