

MEETING OF THE RTA BOARD OF DIRECTORS FEBRUARY 18, 2021

Welcome!

Meeting Starts at 9 a.m.

Meeting Agenda

@ RTAChicago.org/about-us/boardmeetings



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RTA BOARD OF DIRECTORS MEETING

1. CALL TO ORDER

Please feel free to listen to the meeting and view slides related to it here.

*The meeting agenda can be found at
rtachicago.org/about-us/boardmeetings*

PLEDGE OF ALLEGIANCE



RTA BOARD OF DIRECTORS MEETING

2. ROLL CALL

3. APPROVAL OF MINUTES

4. PUBLIC COMMENT

Public comments were accepted online in advance of this meeting.

5. EXECUTIVE DIRECTOR'S REPORT



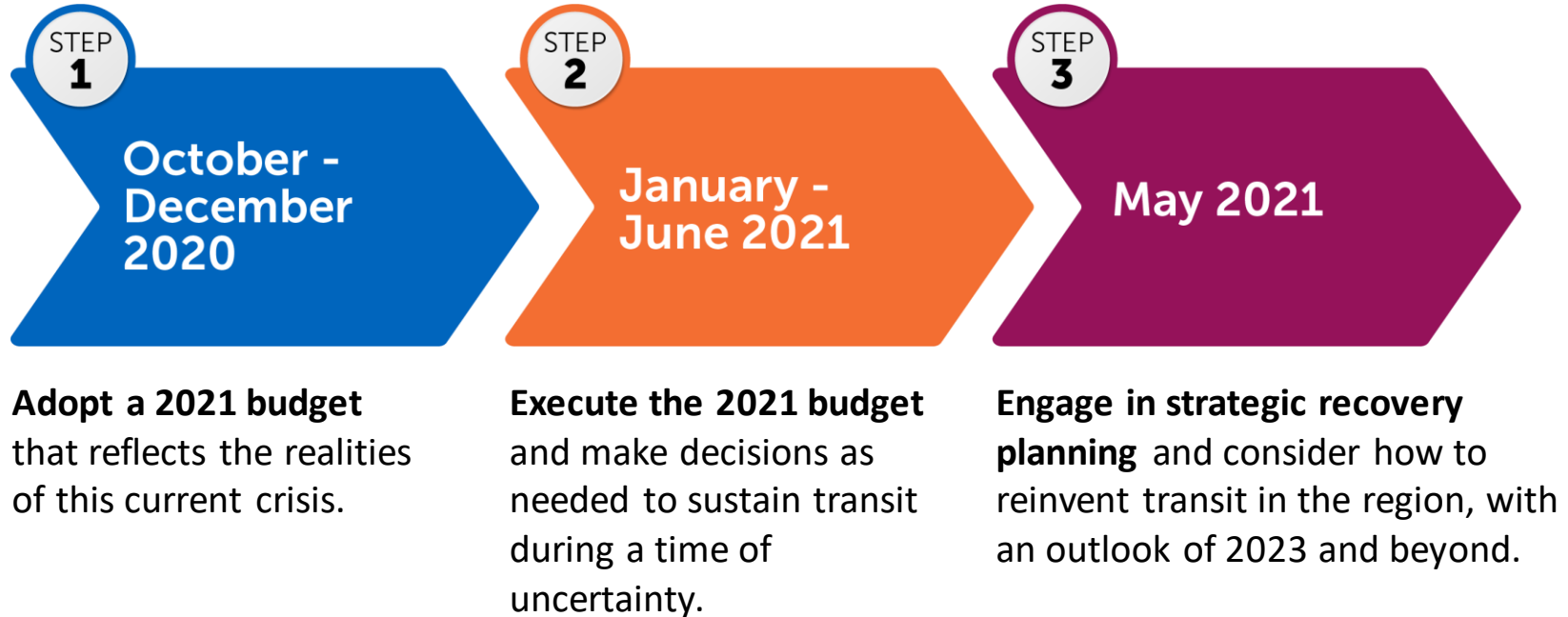
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GOVERNMENT AFFAIRS UPDATES



THREE-STEP RECOVERY STRATEGY



TIMELINE

A reminder of how we'll proceed from here:

February Board Meeting. Public comment period opens.

Public comment period closes.

March Board Meeting. Recommended allocation considered and 2021 budget amendment initiated.

Continue to execute on Step 2 while initiating Step 3 of recovery strategy.



TRANSPORTATION ACCESS AND EQUITY WEBINAR



Tuesday, March 9
1:00 p.m. – 2:30 p.m.

STATE DELINQUENCY FIGURES

Month	Amount Delinquent
January	\$188.2 million
December	\$187.8 million
2021 Cost of Short-Term Borrowing YTD	\$243 thousand
2020 Cost of Short-Term Borrowing	\$5.1 million
Short-Term Borrowing Authority	\$400 million
Outstanding Short-Term Borrowing	\$125 million

6. DISCUSSION AND ACTION ITEMS

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6a. UPDATE ON THE ACTIVITIES OF THE RTA TRANSIT ACCESS CITIZENS' ADVISORY BOARD

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6b. QUARTERLY PERFORMANCE REPORT - FOURTH QUARTER 2020



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A stylized graphic on the right side of the slide features a blue-tinted image of the Chicago skyline, including the Willis Tower. Below the skyline, several transit vehicles are depicted, including a Metra train and a Chicago bus, all rendered in a blue-tinted, semi-transparent style. The background of the right side of the slide is a light blue grid pattern.

An aerial photograph of Chicago, showing the city skyline in the background with numerous skyscrapers. In the foreground, there are elevated train tracks with several trains, including a silver commuter train and a red and blue train. The scene is set during the day with some clouds in the sky.

INVEST IN TRANSIT

The 2018-2023 Regional Transit Strategic Plan
for Chicago and Northeastern Illinois



1

DELIVER
VALUE
ON OUR
INVESTMENT

2020 ANNUAL REGIONAL PERFORMANCE

Indicator/Measure	2020 Value	% Change	Trend
Annual Capital Funding	\$2.740B	+186%	↑
Capital Expenditures	\$1.122B	+3%	↑
Operating Cost per Passenger Trip	\$11.42	+130.2%	↑
Fare Revenue per Passenger Trip	\$1.55	-14.8%	↓

SPOTLIGHT: PAYGO FUNDING

- Grants in the amount of \$227M were issued in Q4 2020
- Preparing 2021 projects and grants with CTA, Metra, and Pace
- Many projects in 2020 focused on Delivering Value on Investment

Service Board	Major 2020 Projects
CTA	Bus, Rail Car, Facilities and Elevated Track and Structure Maintenance
Metra	Locomotive Rebuild, Rail Car Rehab, Yard and Station Improvements
Pace	Farebox Replacement, Shelter and Bus Stop Upgrades, Bus Trackers

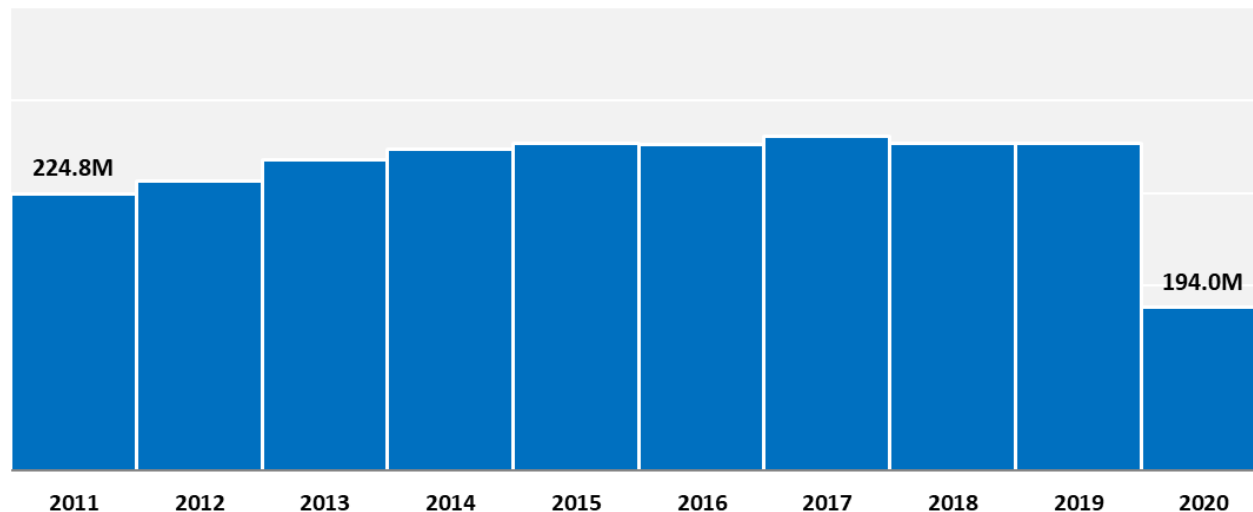
An aerial photograph of a transit station at dusk. A large green circular overlay is positioned on the left side of the image, containing the number '2' and the text 'BUILD ON THE STRENGTHS OF OUR NETWORK'. The background shows a train platform with a train, a bus stop with several buses, and a city street with buildings and trees in the distance.

2

BUILD ON THE
STRENGTHS
OF OUR
NETWORK

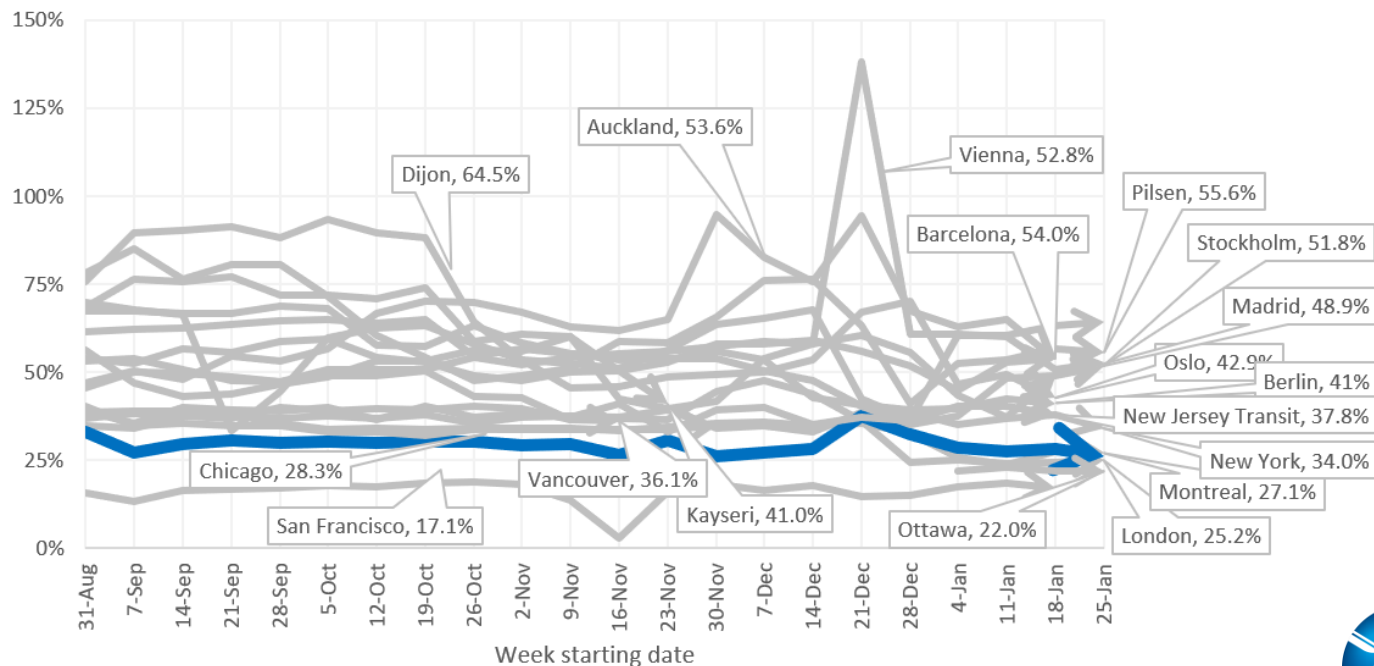
2020 ANNUAL REGIONAL PERFORMANCE

ANNUAL REGIONAL VEHICLE REVENUE MILES
(2011-2020)



SPOTLIGHT: INTERNATIONAL RIDERSHIP RECOVERY

WEEKLY EVOLUTION SINCE SEPTEMBER 2020 - MULTIMODAL RIDERSHIP



An aerial night photograph of a city. A large, semi-transparent purple circle is overlaid on the left side of the image. Inside this circle, the number '3' is positioned above the words 'STAY' and 'COMPETITIVE'. A thin white horizontal line is located below the word 'COMPETITIVE'. The background shows city lights, a highway with light trails, a train passing through a tunnel, and various buildings.

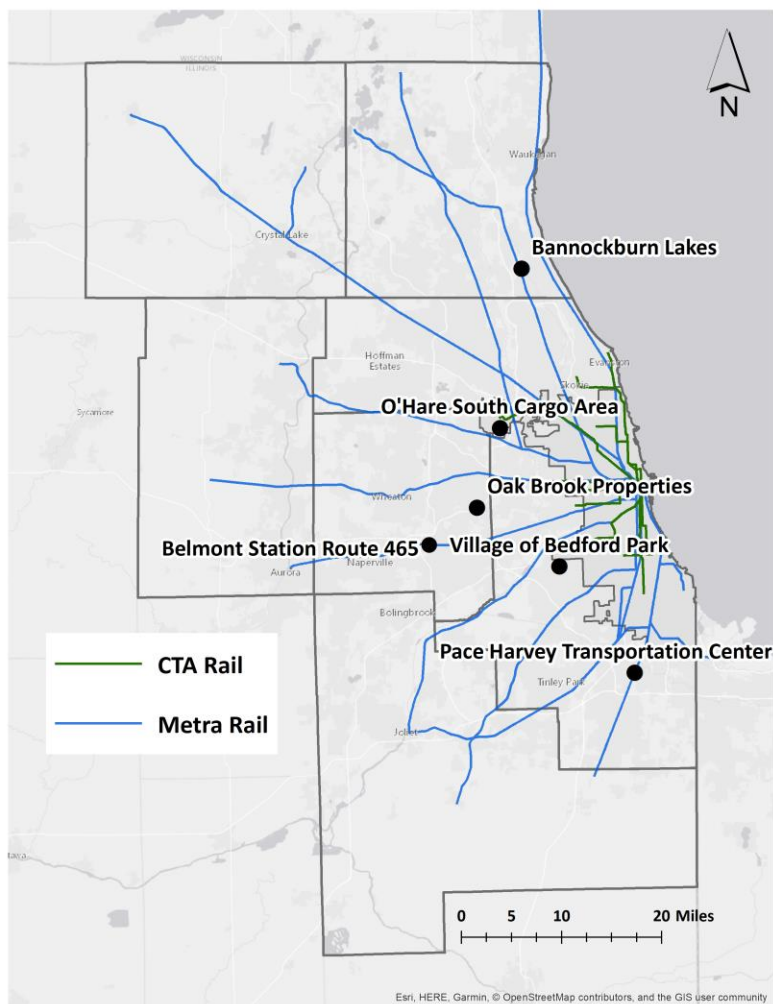
3

STAY
COMPETITIVE

2020 ANNUAL REGIONAL PERFORMANCE

Indicator/Measure		Value	Trend
Ridership		230,823,292	↓
Average speed		14.6 mph	↓
On-Time Performance	CTA Bus	82.3%	N/A
	CTA Rail	N/A	
	Metra	96.5%	↑
	Pace Bus	83.0%	↓

SPOTLIGHT: RTA MOBILITY PILOTS



Project	Partners
Downers Grove	Pace – Hamilton Partners
Oak Brook Properties	Lyft/Chariot – Oak Brook Chamber, Village of Oak Brook
Bannockburn Lakes	Lyft – Village of Bannockburn, GlenStar
Bedford Park Connect2Work	Moovit/Via/Uber – Village of Bedford Park, Antero Group, Cook County (Invest in Cook)
O'Hare South Cargo Area	TBD – Pace, Cook County (Invest in Cook)
Harvey Transportation Center	TBD – Pace, Cook County (Invest in Cook)

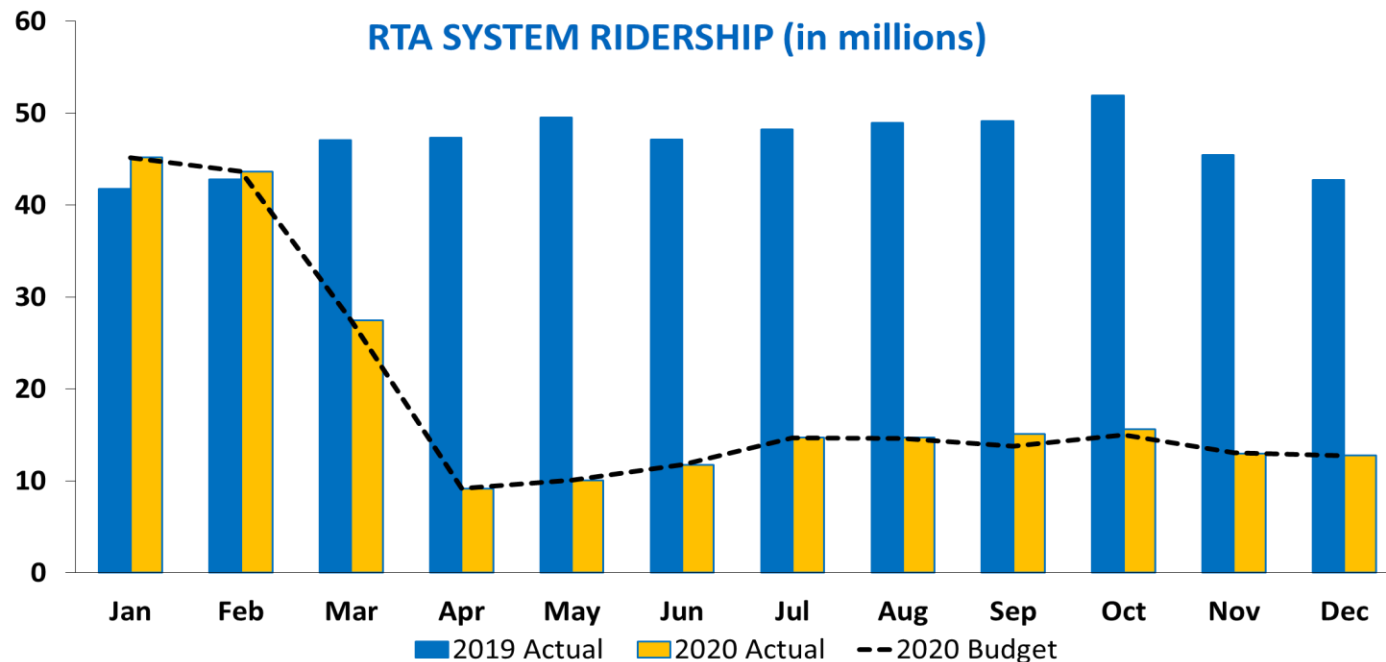
SUMMARY

- Capital work continued throughout the year and is benefitting from PAYGO funding
- Regional ridership recovery rates have remained fairly flat so far
- Mobility project partnerships may point to a way to provide more transit connections in the future

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

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6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020



6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE OPERATING REVENUE (millions)				
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
CTA	\$695.7	\$695.7	\$0.0	0.0%
Metra	\$303.7	\$361.3	(\$57.5)	(15.9%)
Pace	\$41.2	\$52.8	(\$11.6)	(21.9%)
<u>Pace ADA</u>	<u>\$6.4</u>	<u>\$8.1</u>	<u>(\$1.6)</u>	<u>(20.3%)</u>
Total	\$1,047.1	\$1,117.8	(\$70.7)	(6.3%)

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE PUBLIC FUNDING (millions)				
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
CTA	\$837.0	\$867.1	(\$30.0)	(3.5%)
Metra	\$400.3	\$373.7	\$26.6	7.1%
Pace	\$168.7	\$168.4	\$0.3	0.2%
<u>Pace ADA</u>	<u>\$160.8</u>	<u>\$160.8</u>	<u>(\$0.0)</u>	<u>(0.0%)</u>
Total	\$1,566.9	\$1,570.0	(\$3.1)	(0.2%)

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE EXPENSES (millions)				
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
CTA	\$1,537.8	\$1,562.7	\$24.9	1.6%
Metra	\$716.6	\$735.0	\$18.4	2.5%
Pace	\$203.4	\$221.1	\$17.8	8.0%
<u>Pace ADA</u>	<u>\$181.6</u>	<u>\$168.9</u>	<u>(\$12.7)</u>	<u>(7.5%)</u>
Total	\$2,639.4	\$2,687.8	\$48.4	1.8%

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE NET RESULTS (millions)			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
CTA	(\$5.1)	\$0.0	(\$5.1)
Metra	(\$12.5)	\$0.0	(\$12.5)
Pace	\$6.6	\$0.0	\$6.6
<u>Pace ADA</u>	<u>(\$14.4)</u>	<u>(\$0.0)</u>	<u>(\$14.4)</u>
Total	(\$25.4)	\$0.0	(\$25.4)

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE RECOVERY RATIOS					
	Without		With		
	<u>CARES</u>	<u>CARES \$</u>	<u>CARES</u>	<u>Budget</u>	<u>Variance</u>
CTA	27.0%	\$381.6	56.0%	54.8%	1.2
Metra	22.1%	\$159.8	46.5%	53.0%	(6.5)
Pace	20.9%	\$11.4	26.9%	30.3%	(3.4)
<u>Pace ADA</u>	<u>9.2%</u>	<u>\$0.0</u>	<u>9.2%</u>	<u>10.0%</u>	<u>(0.8)</u>
Total	25.2%	\$552.8	49.9%	50.7%	(0.8)

6c. RESOLUTIONS CERTIFYING FINANCIAL RESULTS - FOURTH QUARTER 2020

YEAR-TO-DATE OPERATING DEFICIT (millions)				
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
CTA	(\$842.2)	(\$867.1)	\$24.9	2.9%
Metra	(\$412.8)	(\$373.7)	(\$39.1)	(10.5%)
Pace	(\$162.1)	(\$168.4)	\$6.2	3.7%
<u>Pace ADA</u>	<u>(\$175.2)</u>	<u>(\$160.8)</u>	<u>(\$14.4)</u>	<u>(8.9%)</u>
Total	(\$1,592.3)	(\$1,570.0)	(\$22.4)	(1.4%)

SUMMARY

RTA Act requires Board to certify performance vs. budget each quarter

- Substantial accordance guidelines developed in 2014
- Cumulative (year-to-date) results, rather than just the quarter
- Operating deficit for each Service Board and ADA Paratransit
- Regional recovery ratio - 50% requirement

Today's findings

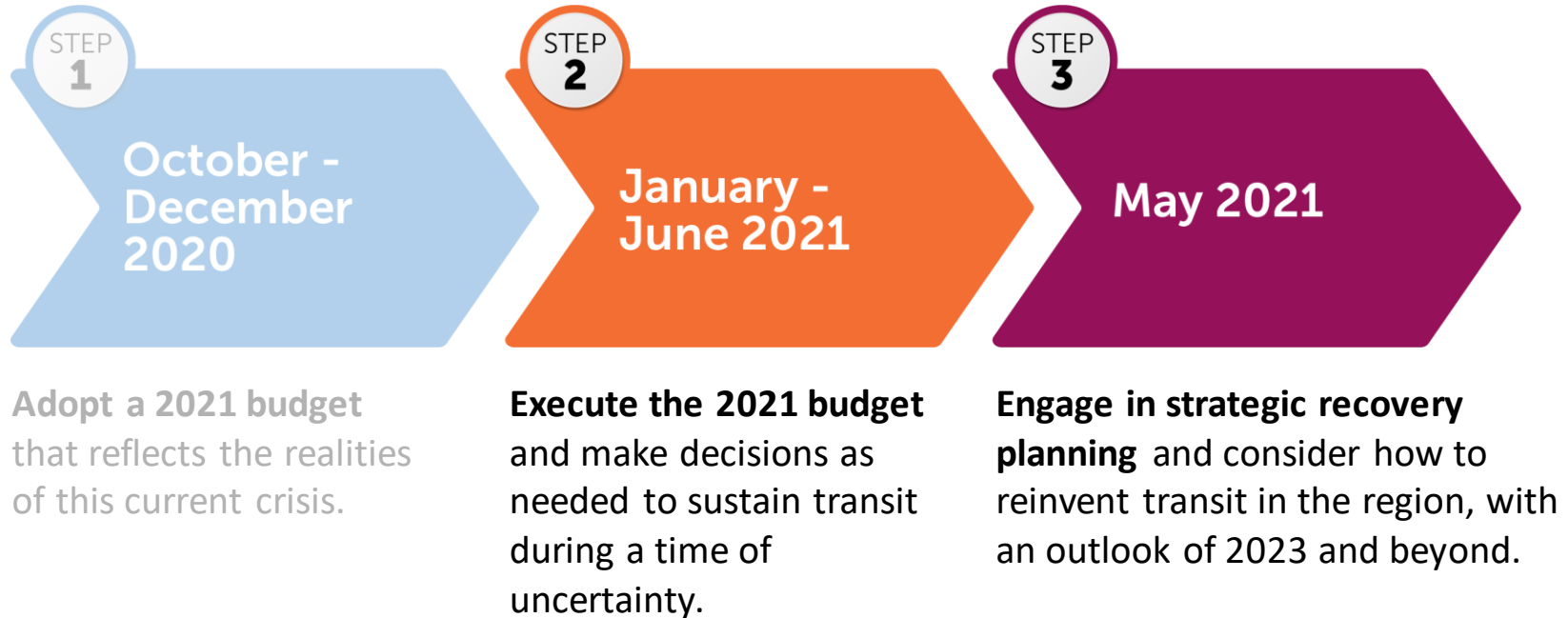
- CTA, Metra, and Pace Suburban Service in substantial accordance
- Regional recovery ratio in substantial accordance
- ADA Paratransit results not in substantial accordance



6d. COVID-19 RECOVERY STRATEGY: STEP 2 OF RTA RECOVERY PROCESS

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RTA RECOVERY PROCESS



RECOVERY POLICY PRIORITIES

- Identify immediate funding solutions
- Sustain critical transit services
- Take an increasingly transparent, collaborative approach to communicating

STEP 2: EXECUTE THE 2021 BUDGET AND MAKE DECISIONS AS NEEDED TO SUSTAIN TRANSIT

?

How can the RTA Board work to **identify immediate funding solutions?**

?

How should the RTA Board support the Service Boards' efforts to **sustain critical transit services?**

?

How can the RTA Board guide the agency to **take a transparent, collaborative approach to communicating with stakeholders and the public?**

IDENTIFY IMMEDIATE FUNDING SOLUTIONS

Option	Potential Availability
Federal Relief	Q1
State Relief	Q2-Q4
Re-allocation of existing funds on emergency basis	Q4
RTA Borrowing	Q4+

SUPPORT EFFORTS TO SUSTAIN CRITICAL TRANSIT SERVICE

- Transit is critical to the region's recovery
- Best case is to provide transit at budgeted levels
- In the event that budget gap is not filled, consensus on critical need can direct relief funds to sustain transit where most needed

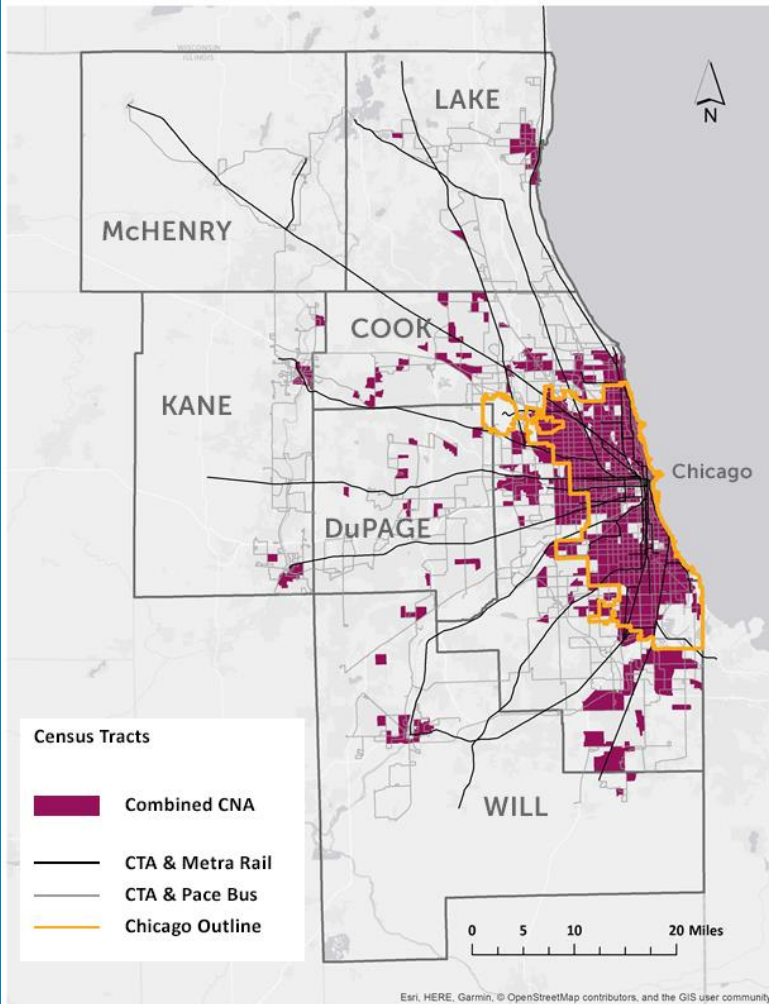
TAKE A TRANSPARENT, COLLABORATIVE APPROACH TO COMMUNICATING

- RTA is committed to:
 - Welcoming ongoing dialogue
 - Inviting collaboration with Service Boards
 - Partnering with others to advocate for aid
- Recommendations include:
 - Discussing process publicly (as presentation today)
 - Inviting public comment on allocation methods

SUSTAINING CRITICAL TRANSIT

CRITICAL NEED AREAS (CNA) REVIEW

- Staff considered 3 CNA Definitions:
 - Propensity
 - Equity
 - High Mobility Industries
- All 3 are combined in final CNA definition here
- Based on above-average densities of population and worker demographics (home locations)

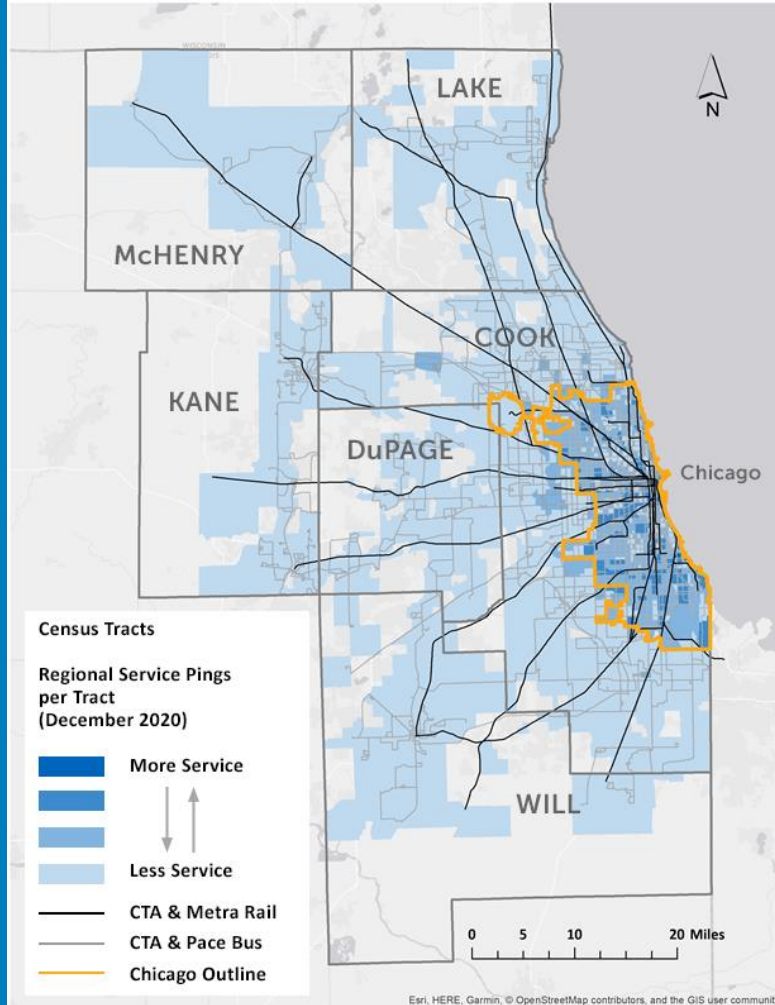


CRITICAL SERVICE REVIEW

- Staff related CNAs to Service
 - Captures presence and frequency of transit in Dec 2020
 - Weighted by cost
- 85% of Regional Service serves the Combined CNA

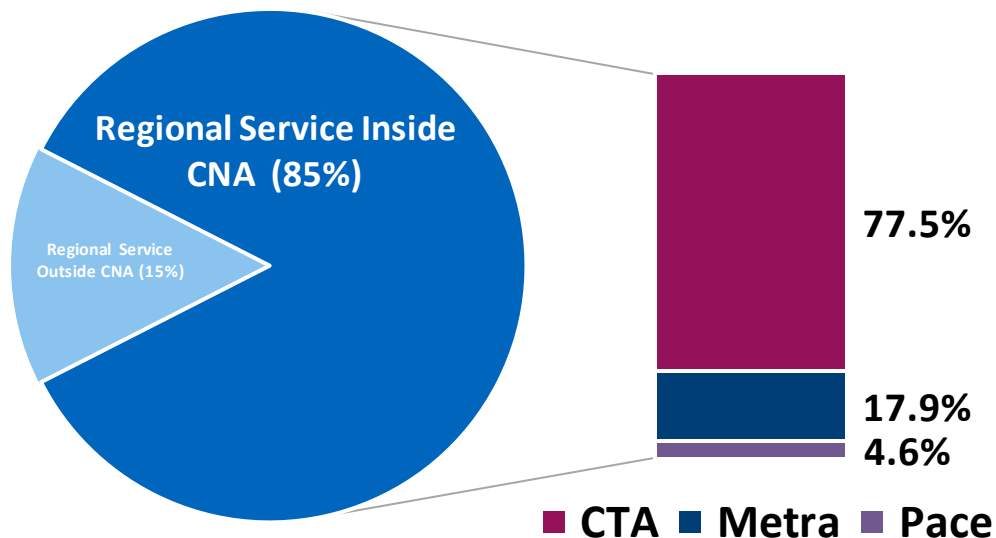
Proportion of CNA Service by Service Board

CTA	Metra	Pace
77.5%	17.9%	4.6%



SERVICE BY TRANSIT CNA

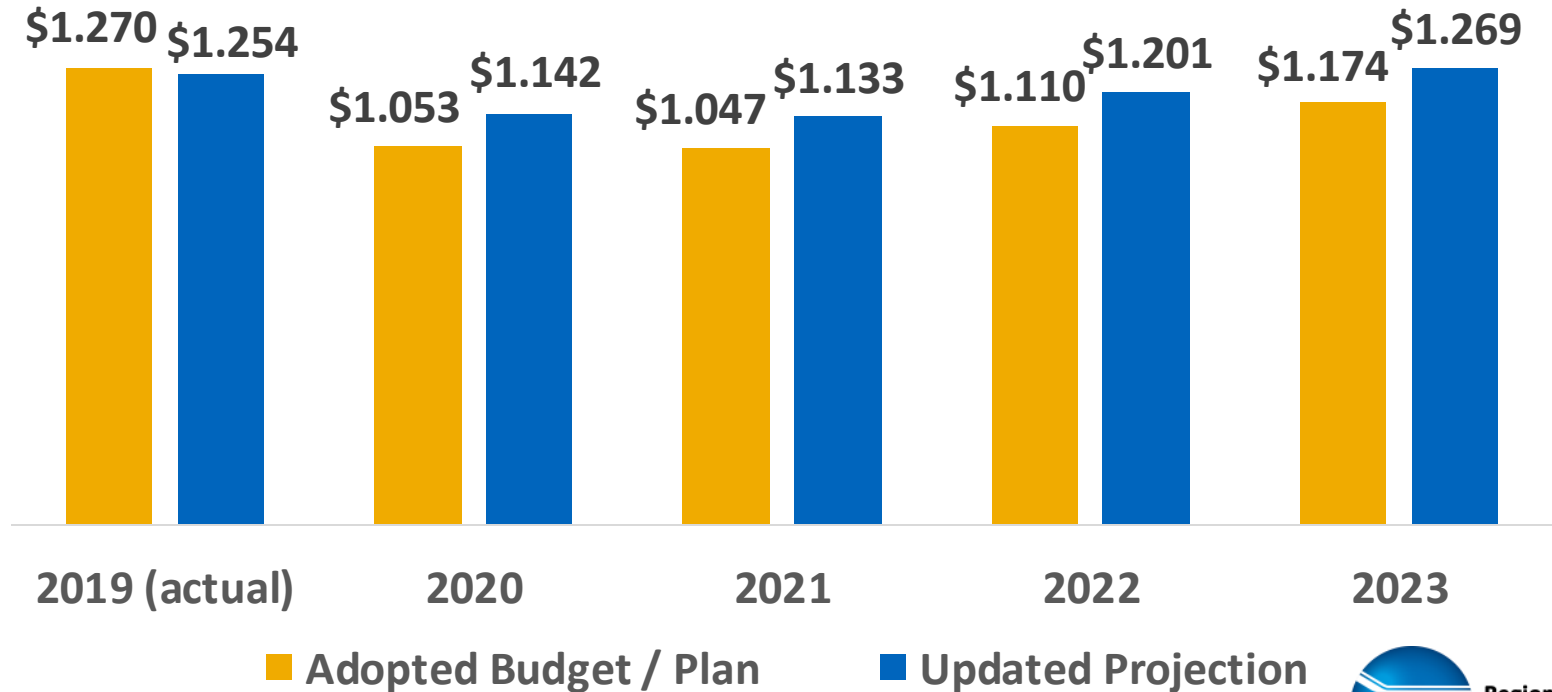
Regional Service Inside/Outside CNAs and
Proportion Inside by Service Board



2021 FUNDING UPDATE

PROJECTED RTA SALES TAX RECEIPTS

(IN BILLIONS)



2021 RTA FUNDING INCREASES

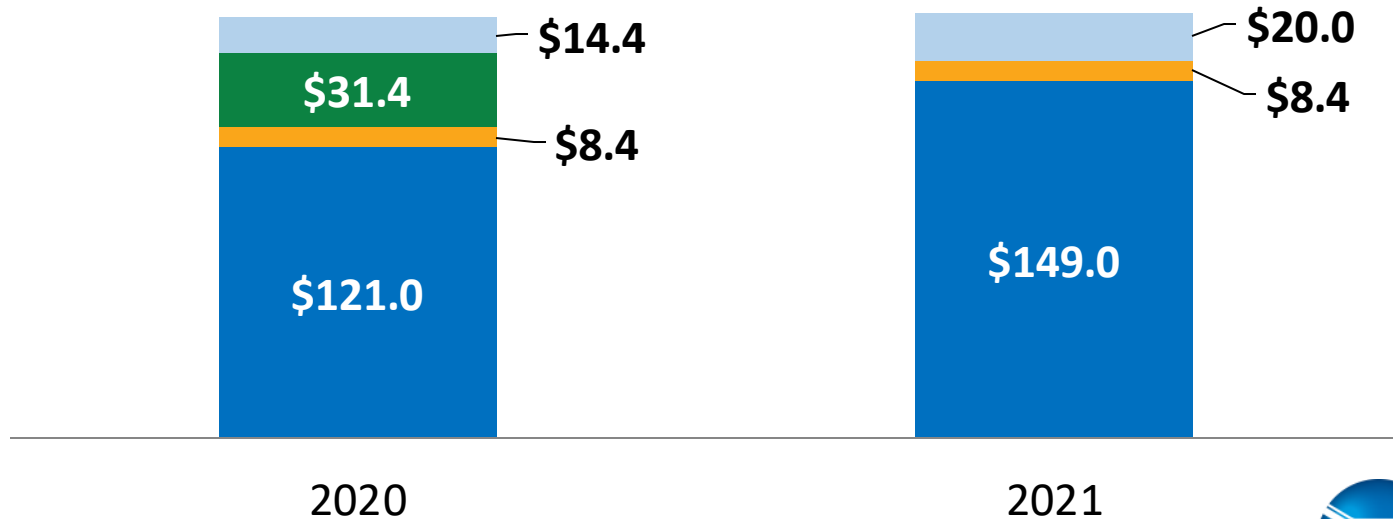
(in millions)	CTA	Metra	Pace	ADA	RTA	Total
Sales Tax ¹	\$36.2	\$28.7	\$11.0	-	\$9.5	\$85.4
PTF ²	\$21.1	\$3.9	\$1.6	-	-	\$26.6
RETT	\$2.9	-	-	-	-	\$2.9
RTA Funding Change	\$60.2	\$32.6	\$12.6	-	\$9.5	\$114.9

¹ Includes ICE funding and, for Pace, SCMF.

² Includes PTF on RETT. Assumes State 5% PTF cut ends in July 2021.

2020-2021 ADA PARATRANSIT FUNDING (IN MILLIONS)

■ Sales Tax II ■ State Funding ■ ADA Reserve ■ Additional Need



2021 FUNDING RECOMMENDATION

(in millions)	Total	Fund ADA off the top	CTA	Metra	Pace
CRRSAA Allocation ¹	\$486	\$20	(77.5%) \$361	(17.9%) \$83	(4.6%) \$22
RTA Funding Change ²	\$106	---	\$60	\$33	\$13
Total Funding Change	\$592	\$20	\$421	\$116	\$35
Budgeted Shortfalls	\$442-\$527	---	\$372	\$70-\$155 ³	---

¹ Based on budget need and CNA analysis

² Increased 2021 sales tax, PTF, and RETT due to 2020 over-performance

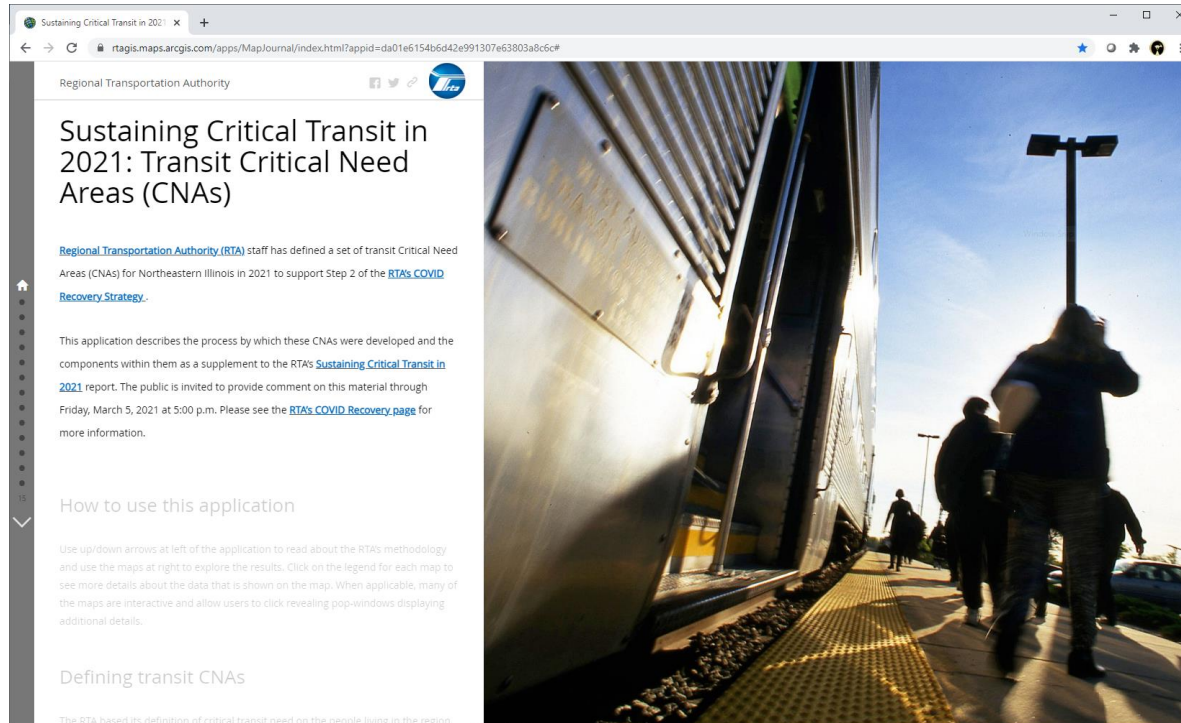
³ Range for Metra related to service levels (reduced to full schedule)



PUBLIC COMMENT

- See rtachicago.org/recovery
- Accommodations available as requested
- Submit requests for accommodations or comments to communications@rtachicago.org
- Comments due by March 5, 2021

CRITICAL NEED AREAS (CNA) STORY MAP



TIMELINE

A reminder of how we'll proceed from here:

February Board Meeting. Public comment period opens.

Public comment period closes.

March Board Meeting. Recommended allocation considered and 2021 budget amendment initiated.

Continue to execute on Step 2 while initiating Step 3 of recovery strategy.



6e. PRESENTATION OF THE 2021 AUDIT PLAN

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PURPOSE

- Hold us accountable
- Assess our effectiveness and efficiency
- Are often required by an external body – **Oversight Audit**
- Review our internal processes and programs - **Internal Audit**

OVERSIGHT AUDITS

Category	Title	Project Timeline
Annual Audits	Capital Grants Close Out – CTA, Metra, and Pace	2nd Quarter
	Reduced Fare Reimbursement – CTA, Metra and Pace	3rd Quarter
	ADA Grant – Pace	3rd Quarter
	AFA/ASA Grants – RTA	3rd Quarter
	ICE Grant Funding Verification	3rd Quarter
	IDOT Funded Capital Requisitions	Quarterly
	Agency Verification Audits – CTA, Metra, Pace & RTA	TBD (outcome of agencies' 2021 risk assessments)

OVERSIGHT AUDITS

- Required by the RTA Act
- ADA Audit conducted every 3 years
- Financial, compliance, and performance of ADA paratransit services are subject to review
- Assist in the determination of the projected annual costs of ADA paratransit services

Category	Title	Project Timeline
Required Audits	ADA Triennial Audit	3rd Quarter

RTA INTERNAL AUDITS

Category	Title	Project Timeline
Annual Reviews	Credit Card Purchases/Expense Reports including all Senior Management/Directors	1st Quarter
	Payroll Compensation & End of Year Testing	1st Quarter
	Pension Internal Controls	2nd Quarter
	A-133 Report Analysis	1st Quarter
	Contract Compliance - Quarterly	Quarterly

RTA INTERNAL AUDITS

- Conduct on closed grants funded by the FTA, IDOT, and CMAP
- Assess effectiveness of internal controls and processes utilized to manage grants
- Assess the administration of the grant against grant agreement and project scope

Category	Title	Project Timeline
CTAP Grants Close Out Audits	Consolidation Technical Assistance Program (CTAP Grants)	3rd Quarter

RTA INTERNAL AUDITS

Category	Title	Project Timeline
Rotational Audits	Personally Identifiable Information Protection (RTA Only)	2nd Quarter
	New ERP Implementation Testing	Ongoing

6f. ORDINANCE AUTHORIZING CONTRACTS FOR PROJECT MANAGEMENT OVERSIGHT (PMO) CONSULTING SERVICES



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6g. APPROVAL OF TRAVEL EXPENSE REIMBURSEMENTS

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7. NEW BUSINESS

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NEXT MEETING AND ADJOURNMENT

The next meeting of the RTA Board of Directors is scheduled for Thursday, March 18.

We will advise you of the location or virtual nature of this meeting as the date approaches and the status of the COVID-19 situation is updated.

STAY CONNECTED



RTAChicago.org



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