



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for January 2021
Date: March 10, 2021

I. Summary

On March 13, 2020, the President of the United States declared a National Emergency concerning the Novel Coronavirus Disease (COVID-19) outbreak. 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 \$3.3 million favorable to budget for January primarily due to lower than anticipated labor expenses and higher than expected fare and pass revenue. Public funding for 2021 collected in January totaled \$51.3 million, which is \$8.6 million favorable to budget. CTA has drawn down CARES funding of \$116.0 million related to public funding shortfalls and \$390.9 million related to operating losses for a grand total CARES draw of \$506.9 million, which is approximately 62.0% of CTA's CARES allocation.

Ridership for the month was 10.8 million, which was 0.5 million higher than budget and 25.9 million lower than January 2020. The ridership decrease over the prior year was due to the COVID-19 pandemic.

II. Cash & Liquidity

The chart below highlights CTA's cash position at January 2021 compared to January 2020.

	January 2021	January 2020	Increase (Decrease)
Unrestricted Cash	\$ 113,062	\$ 141,355	\$ (28,293)
Damage Reserve	41,891	49,859	\$ (7,968)
Funds Owed by RTA	271,854	243,083	\$ 28,771
Trust Portfolio Assets	623,483	350,645	\$ 272,838
Total Cash and Receivables	\$ 1,050,290	\$ 784,942	\$ 265,348

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$28.3 million lower than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$8.0 million lower than last year due to settlement payments. Funds owed by the RTA were approximately \$271.9 million which was \$28.8 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
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Fare & Pass Revenue	\$ 13,013	\$ 1,551	\$ (33,594)	\$ 13,013	\$ 1,551	\$ (33,594)

- Fare and pass revenue for January was \$1.6 million favorable to budget due to slightly higher than projected ridership during the month. It was \$33.6 million unfavorable to prior year due to sharply lower ridership as a result of the current COVID-19 pandemic. The average fare for the month was \$1.21 per ride and was \$0.10 higher 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
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Reduced Fare Subsidy	\$ 1,217	\$ -	\$ -	\$ 1,217	\$ -	\$ -

- Reduced Fare Subsidy was on par with budget for the month based on expected reimbursements from the State.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Advertising, Charter, Concession	\$ 2,059	\$ (16)	\$ (1,421)	\$ 2,059	\$ (16)	\$ (1,421)

- Advertising, Charter and Concessions Revenue was slightly unfavorable to budget for the month due to lower than anticipated vending machine and concessions revenue. This revenue category was \$1.4 million lower than prior year due to the uncertainty of vehicle and platform advertising revenue minimum guarantee payments starting in April 2020 due to the COVID-19 pandemic.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Investment income	\$ 30	\$ (53)	\$ (242)	\$ 30	\$ (53)	\$ (242)

- Investment income was \$0.1 million lower than budget and \$0.2 million less than prior year due to lower than expected short-term market rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Other Revenue	\$ 2,039	\$ (1,776)	\$ (1,490)	\$ 2,039	\$ (1,776)	\$ (1,490)

- Other Revenue was \$1.8 million unfavorable to budget for the month due to monthly ride-hailing fee revenue anticipated in the budget that CTA will no longer be receiving from the City of Chicago in 2021. Additionally, the unfavorability to budget for the month was due to lower than anticipated non-capital grant, rental, and miscellaneous revenues. Lower non-capital grant revenue is offset by lower non-capital expense in the Other Expenses category. Other revenue was \$1.5 million unfavorable to prior year due to the monthly ride hailing fee received in January 2020 but not in 2021 in addition to lower parking lot and rental revenues.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Total System Generated Revenue	\$ 18,359	\$ (294)	\$ (36,747)	\$ 18,359	\$ (294)	\$ (36,747)

- Total System-Generated Revenue was lower than budget for the month by \$0.3 million due to monthly ride-hailing fee revenue anticipated in the budget that CTA will no longer be receiving from the City of Chicago in 2021, which was partially offset by higher than expected fare and pass revenue. It was \$36.7 million lower than prior year due to sharply lower ridership as a result of the current COVID-19 pandemic.

IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Labor	\$ 98,703	\$ 1,897	\$ (17)	\$ 98,703	\$ 1,897	\$ (17)

- Labor expense was \$1.9 million favorable to budget for the month due to lower than anticipated labor costs. Labor expense was slightly unfavorable to January 2020.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Material	\$ 7,956	\$ (21)	\$ (913)	\$ 7,956	\$ (21)	\$ (913)

- Material expense was slightly unfavorable to budget for the month and \$0.9 million unfavorable to prior year due to increased costs for cleaning supplies related to COVID-19.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Fuel	\$ 2,901	\$ 743	\$ 787	\$ 2,901	\$ 743	\$ 787

- Fuel for Revenue Equipment expense was \$0.7 million favorable to budget in January primarily due to lower than anticipated usage. Lower usage and fuel prices account for the favorable variance to January 2020.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Power	\$ 2,412	\$ 570	\$ 360	\$ 2,412	\$ 570	\$ 360

- The Electric Power for Revenue Equipment expense was \$0.6 million favorable to budget for the month due to lower than anticipated usage. Expenses were \$0.4 million favorable to January 2020 primarily due to lower usage.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Provision for Injuries & Damages	\$ 2,640	\$ -	\$ (807)	\$ 2,640	\$ -	\$ (807)

- The Provision for Injuries & Damages expense was on par with budget for the month and \$0.8 million unfavorable to January 2020 due to higher funding requirements in 2021.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Purchase of Security Services	\$ 1,431	\$ 251	\$ 191	\$ 1,431	\$ 251	\$ 191

- Purchase of Security Services was \$0.3 million favorable to budget for the month and \$0.2 million favorable to prior year due to the timing of invoices.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Other Expenses	\$ 23,866	\$ 152	\$ (1,415)	\$ 23,866	\$ 152	\$ (1,415)

- Other expenses were \$0.2 million favorable to budget for the month due to the timing of contractual services invoices and \$1.4 million unfavorable to January 2020 due to an increase in debt service costs on the TIFIA loans and 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	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Total Operating Expenses	\$ 139,909	\$ 3,591	\$ (1,813)	\$ 139,909	\$ 3,591	\$ (1,813)

- Operating Expenses were \$3.6 million favorable to budget for the month primarily due to lower than anticipated labor costs. The unfavorable variance to prior year was due to higher other expenses and an increase in funding requirements for the provision for injuries and damages.

V. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-21	Budget Jan-21	Prior Year Jan21 vs. Jan20	2021	Budget 2021	Prior Year 2020
Recovery Ratio	55.52%	1.96		55.52%	1.96	

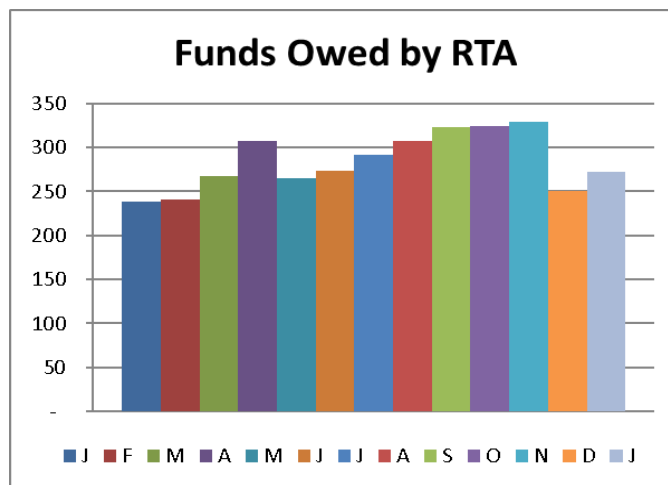
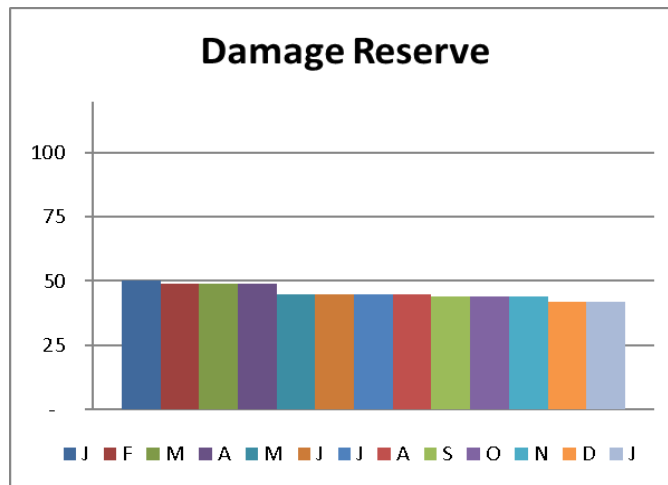
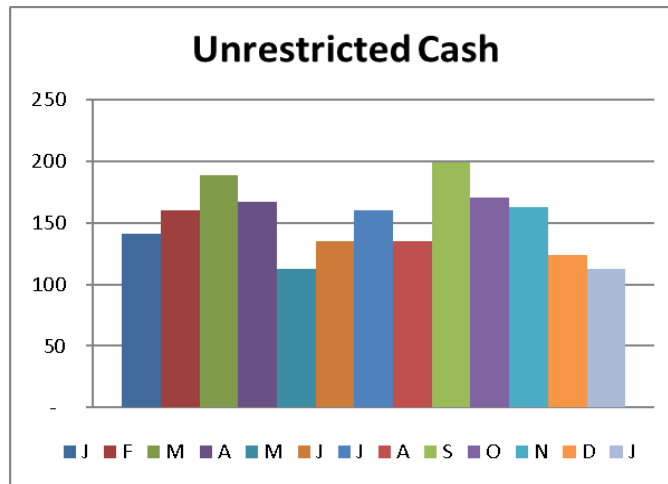
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 55.52% for the month. This was favorable to budget by 1.96 percentage points for the month. The RTA is including the Federal stimulus funds under the CARES Act as replacement fare revenues for recovery ratio purposes.

VI. Ridership

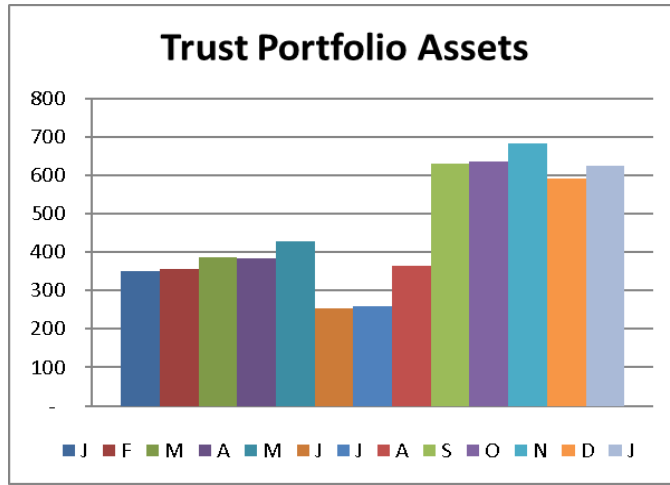
Category	Current Month			Full Year		
	Actual Jan-21	Variance to Budget Jan-21	Variance to Prior Year Jan21 vs. Jan20	Actual 2021	Variance to Budget 2021	Variance to Prior Year 2020
Bus	7,157	141	(12,326)	7,157	141	(12,326)
Rail	2,965	183	(11,089)	2,965	183	(11,089)
Rail to Rail Transfers	664	132	(2,463)	664	132	(2,463)
Total	10,786	456	(25,878)	10,786	456	(25,878)

- Ridership for the month of January was 10.8 million and was 0.5 million higher than budget and 25.9 million lower than prior year.
- Calendar adjusted ridership was down 69.6% from prior year due to the COVID-19 pandemic.
- More details on ridership can be found in the January Ridership Report.

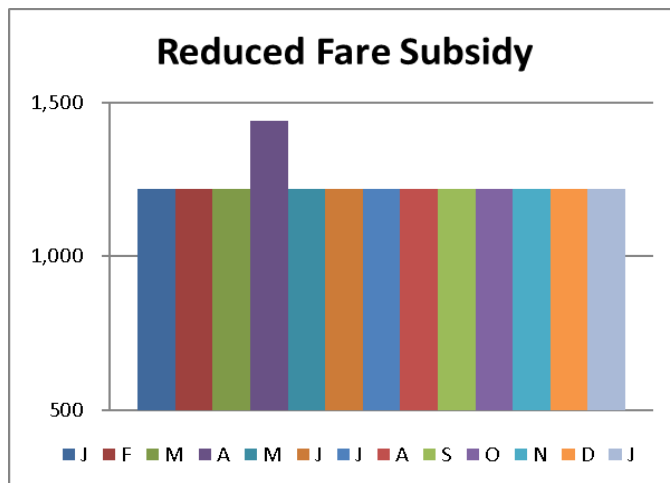
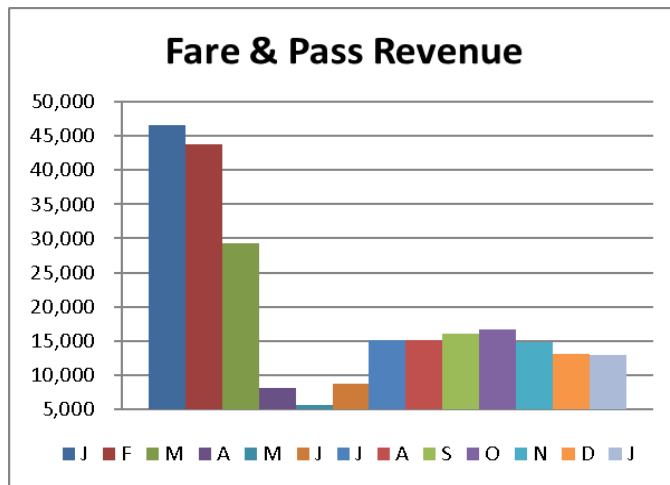
Cash & Liquidity



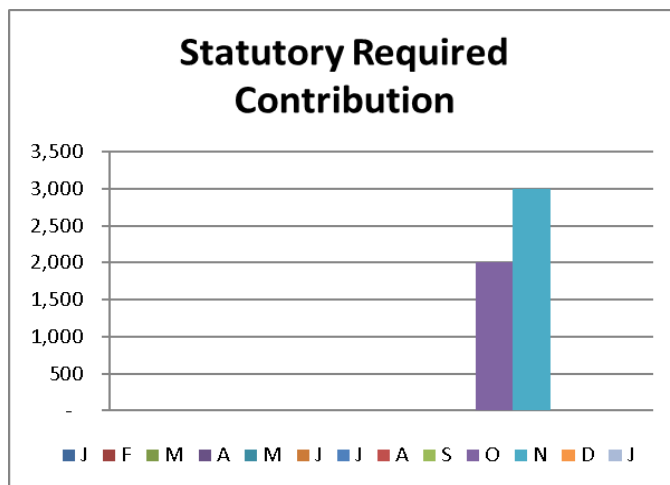
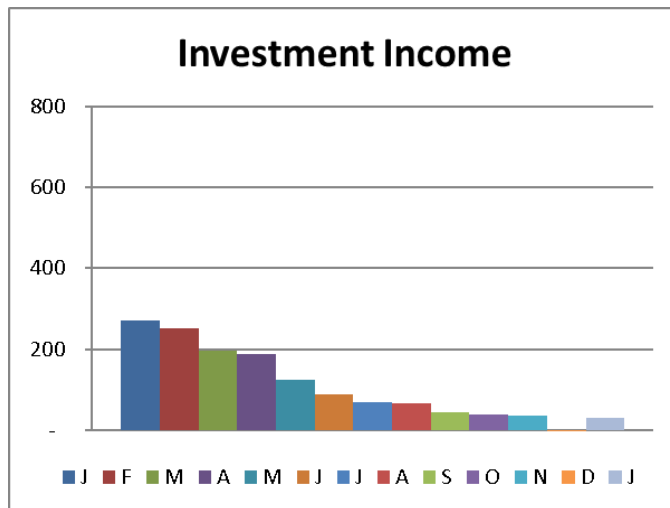
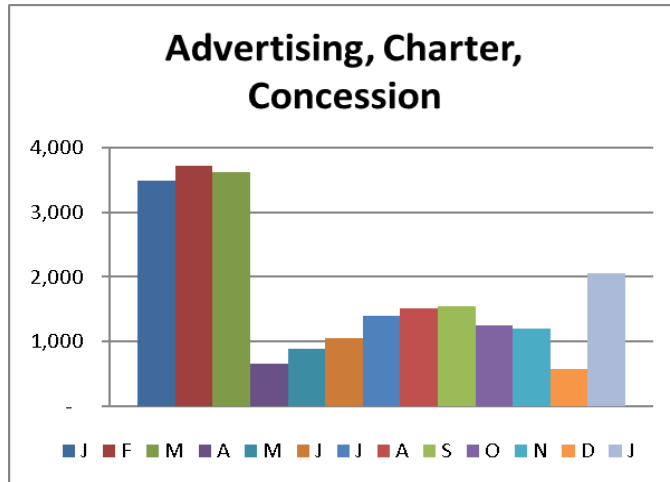
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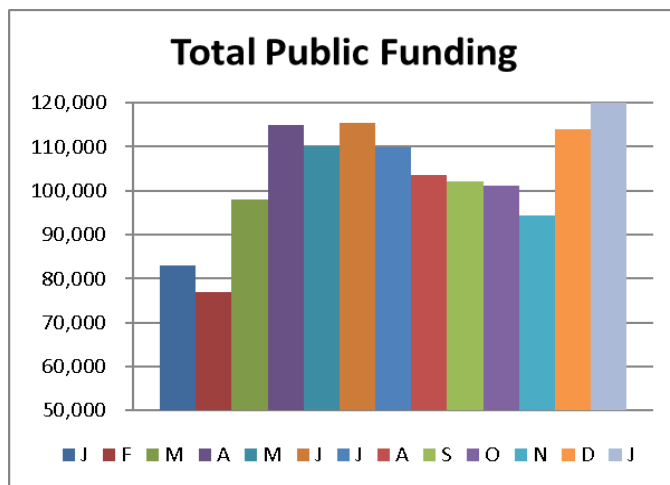
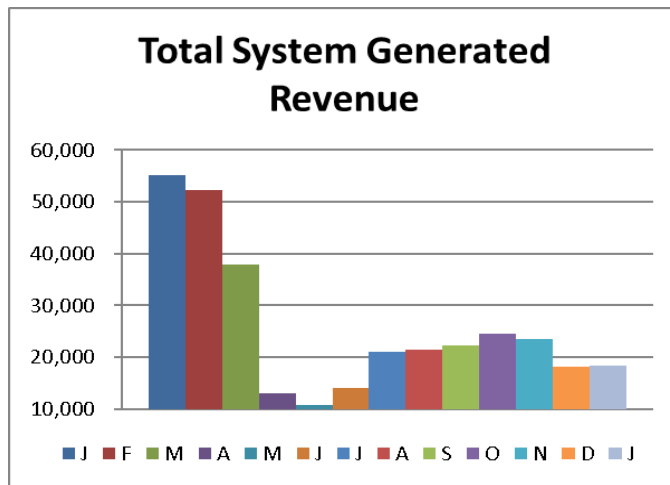
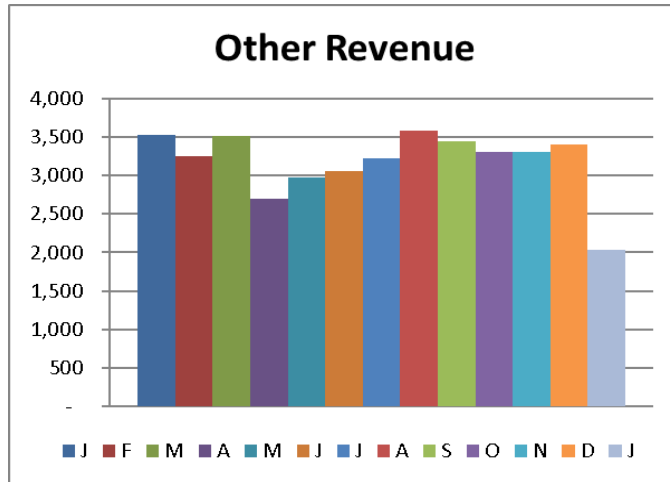
Revenue



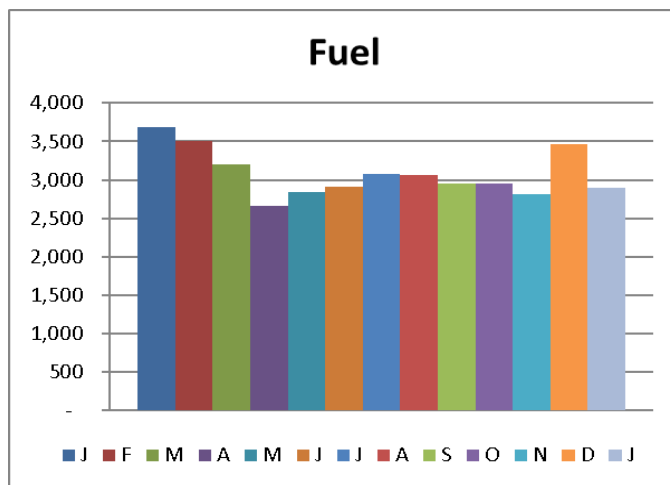
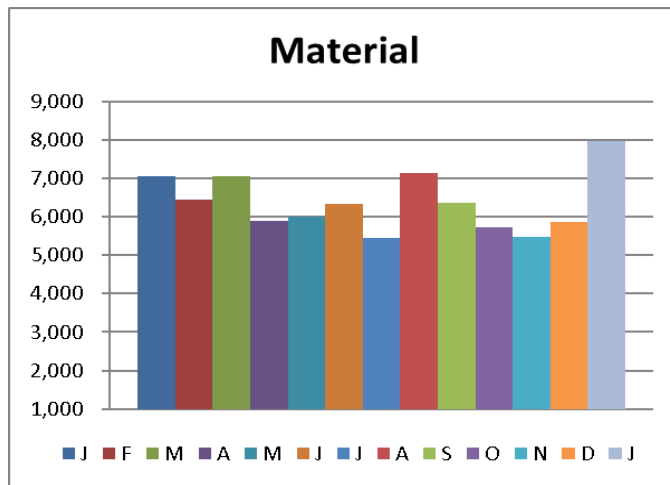
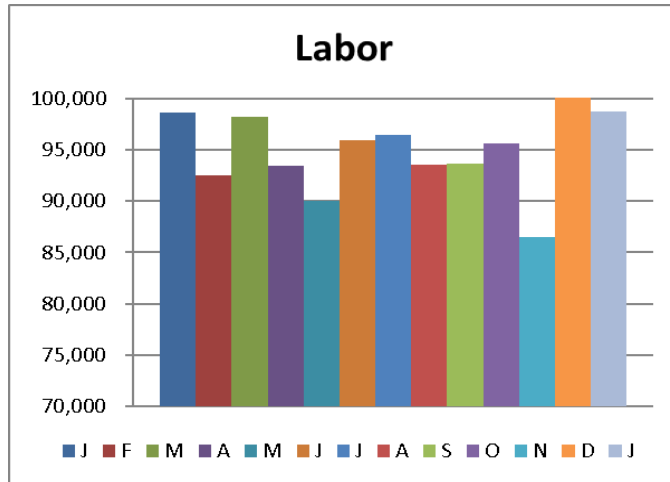
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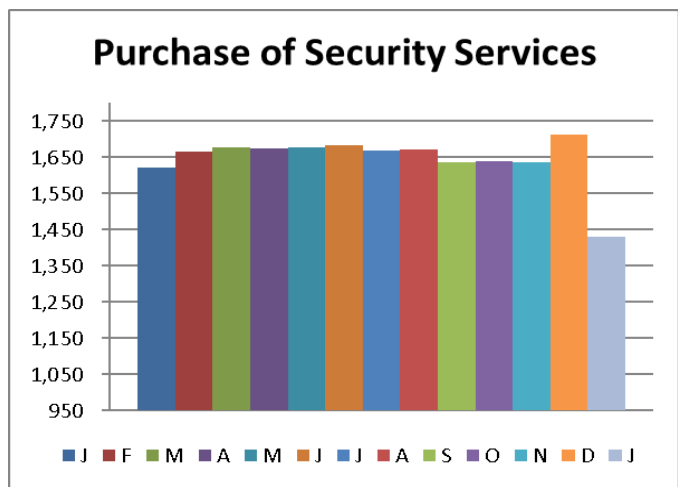
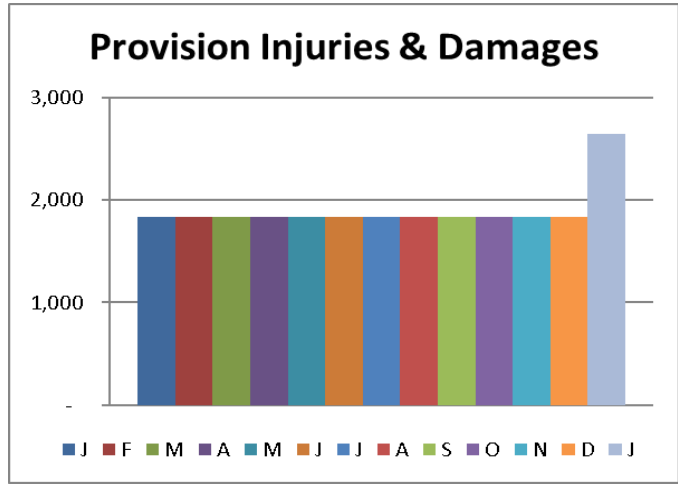
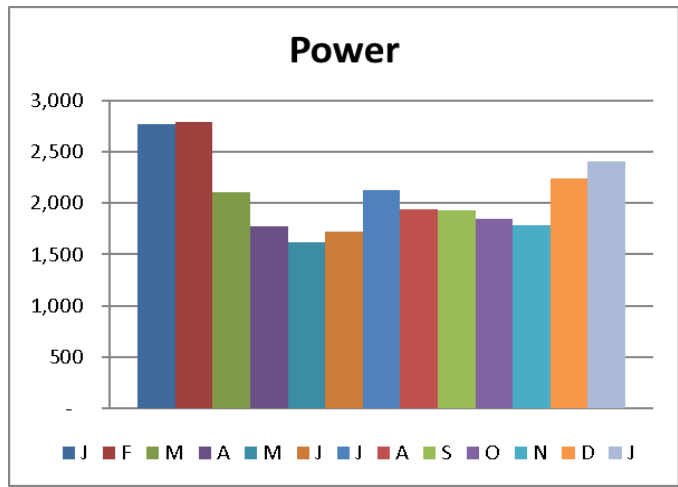
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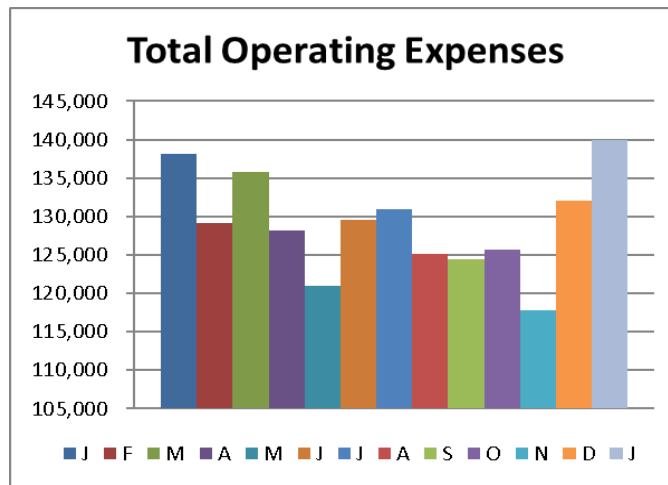
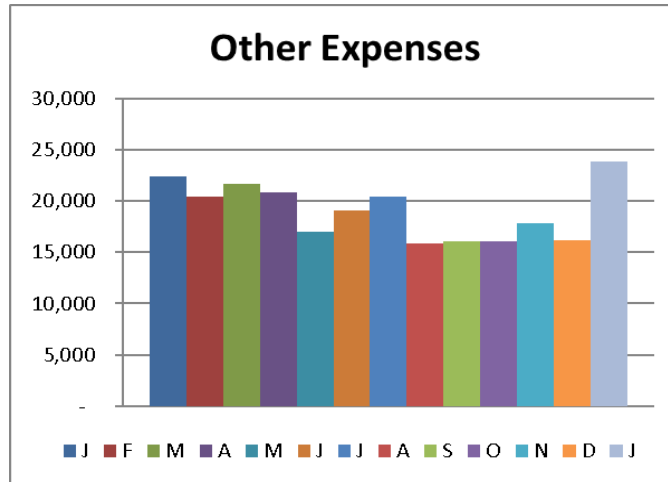
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Unrestricted Cash	141	160	189	167	113	135	160	135	199	171	163	124	113
Damage Reserve	50	49	49	49	45	45	45	45	44	44	44	42	42
Funds Owed by RTA	238	241	267	307	265	274	292	307	323	325	329	251	272
Trust Portfolio Assets	351	356	385	384	429	253	260	363	630	634	683	591	623

Revenue	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Fare & Pass Revenue	46,608	43,798	29,234	8,077	5,606	8,711	15,138	15,158	16,012	16,672	14,769	13,046	13,013
Reduced Fare Subsidy	1,217	1,217	1,217	1,440	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217
Advertising, Charter, Concession	3,480	3,715	3,618	659	888	1,054	1,396	1,515	1,538	1,248	1,208	579	2,059
Investment Income	272	251	195	188	125	89	68	66	45	37	35	(149)	30
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	2,000	3,000	-	-
Other Revenue	3,529	3,247	3,515	2,693	2,969	3,058	3,222	3,579	3,450	3,302	3,313	3,408	2,039
Total System Generated Revenue	55,106	52,230	37,779	13,057	10,805	14,129	21,040	21,535	22,263	24,476	23,542	18,101	18,359
Total Public Funding	82,989	76,950	98,056	115,045	110,207	115,392	109,955	103,562	102,164	101,227	94,277	113,938	121,550

Expenses	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
Labor	98,687	92,509	98,284	93,440	89,995	95,900	96,434	93,574	93,674	95,596	86,474	100,786	98,703
Material	7,043	6,432	7,066	5,895	5,993	6,343	5,460	7,142	6,364	5,731	5,462	5,870	7,956
Fuel	3,688	3,507	3,203	2,661	2,843	2,907	3,078	3,062	2,949	2,948	2,818	3,460	2,901
Power	2,772	2,789	2,111	1,774	1,622	1,721	2,125	1,937	1,932	1,843	1,787	2,241	2,412
Provision Injuries & Damages	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	2,640
Purchase of Security Services	1,622	1,667	1,678	1,675	1,678	1,685	1,670	1,673	1,638	1,640	1,637	1,713	1,431
Other Expenses	22,451	20,443	21,659	20,823	17,047	19,131	20,395	15,876	16,037	16,111	17,808	16,135	23,866
Total Operating Expenses	138,095	129,179	135,835	128,102	121,012	129,521	130,995	125,097	124,428	125,703	117,819	132,040	139,909