



To: Chicago Transit Authority Board  
From: Jeremy Fine, Chief Financial Officer  
Re: Financial Results for December 2021  
Date: February 9, 2022

## 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. The financial results incorporate the amended budget approved at the May 2021 board meeting. CTA's financial results are \$12.6 million and \$57.6 million favorable to budget for December and year-to-date, respectively, primarily due to lower than anticipated other expenses and higher than anticipated advertising and other revenues. Public funding for 2021 collected year-to-date totaled \$835.4 million, which is \$193.6 million favorable to budget. CTA has drawn down CARES funding of \$785.9 million, which is approximately 96.1% of CTA's CARES allocation.

Ridership for the month was 17.2 million, which was 7.3 million lower than budget and 6.1 million higher than December 2020. Ridership year-to-date was 13.6 million lower than budget and 1.5 million lower than prior year. The ridership decrease over the prior year-to-date was due to the COVID-19 pandemic.

## II. Cash & Liquidity

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

|                            | December<br>2021 | December<br>2020 | Increase<br>(Decrease) |
|----------------------------|------------------|------------------|------------------------|
| Unrestricted Cash          | \$ 211,766       | \$ 124,014       | \$ 87,752              |
| Damage Reserve             | 66,529           | 42,451           | \$ 24,078              |
| Funds Owed by RTA          | 407,956          | 209,178          | \$ 198,778             |
| Trust Portfolio Assets     | 420,722          | 591,140          | \$ (170,418)           |
| Total Cash and Receivables | \$ 1,106,973     | \$ 966,783       | \$ 140,190             |

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$87.8 million higher than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$24.1 million higher than last year due to deposits into the fund offset by settlement payments. Funds owed by the RTA were approximately \$408.0 million which was \$198.8 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        |
|                     | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021       | Amended Budget<br>2021 | Prior Year<br>2020 |
| Fare & Pass Revenue | \$ 21,860     | \$ 23                    | \$ 8,814                      | \$ 242,864 | \$ (5,410)             | \$ 10,034          |

- Fare and pass revenue for December was slightly favorable to budget due to higher than expected pass revenues. It was \$8.8 million favorable to prior year due to higher ridership and promotional fares for select pass products. The average fare for the month was \$1.27 per ride and was \$0.38 higher than budget and \$0.10 higher than the prior year.
- Year-to-date fare and pass revenue was \$5.4 million unfavorable to budget due to lower than expected pass revenue. It was \$10.0 million favorable to prior year due to the COVID-19 pandemic and the current stage of re-opening for the City of Chicago. The average fare for the year was \$1.24 per ride and was \$0.06 higher than budget and \$0.06 higher than the prior year.

| Category             | Current Month |                          |                               | Full Year |                        |                    |
|----------------------|---------------|--------------------------|-------------------------------|-----------|------------------------|--------------------|
|                      | Actual        | Variance to              | Variance to                   | Actual    | Variance to            | Variance to        |
|                      | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021      | Amended Budget<br>2021 | Prior Year<br>2020 |
| Reduced Fare Subsidy | \$ 1,217      | \$ -                     | \$ -                          | \$ 14,644 | \$ 38                  | \$ (184)           |

- Reduced Fare Subsidy was on par with budget for the month and slightly higher than budget for the year-to-date based on expected reimbursements from the State.

| Category                         | Current Month |                          |                               | Full Year |                        |                    |
|----------------------------------|---------------|--------------------------|-------------------------------|-----------|------------------------|--------------------|
|                                  | Actual        | Variance to              | Variance to                   | Actual    | Variance to            | Variance to        |
|                                  | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021      | Amended Budget<br>2021 | Prior Year<br>2020 |
| Advertising, Charter, Concession | \$ 7,006      | \$ 5,250                 | \$ 6,427                      | \$ 26,687 | \$ 6,116               | \$ 5,790           |

- Advertising, Charter and Concessions Revenue was \$5.3 million favorable to budget for the month due to additional vehicle and platform advertising revenue received as a result of a contract amendment. It was \$6.1 million favorable year-to-date due to higher than anticipated vehicle and platform advertising revenue. This revenue category was \$5.8 million higher than prior year-to-date due to additional vehicle and platform advertising revenue received in 2021.

| Category          | Current Month |                          |                               | Full Year |                        |                    |
|-------------------|---------------|--------------------------|-------------------------------|-----------|------------------------|--------------------|
|                   | Actual        | Variance to              | Variance to                   | Actual    | Variance to            | Variance to        |
|                   | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021      | Amended Budget<br>2021 | Prior Year<br>2020 |
| Investment income | \$ (7)        | \$ (32)                  | \$ 142                        | \$ 261    | \$ (43)                | \$ (960)           |

- Investment income was slightly lower than budget for the month and \$1.0 million less than prior year-to-date due to lower short-term market rates. December 2021 activity includes annual year-end fair market value adjustments.

| Category      | Current Month |                          |                               | Full Year |                        |                    |
|---------------|---------------|--------------------------|-------------------------------|-----------|------------------------|--------------------|
|               | Actual        | Variance to              | Variance to                   | Actual    | Variance to            | Variance to        |
|               | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021      | Amended Budget<br>2021 | Prior Year<br>2020 |
| Other Revenue | \$ 7,295      | \$ 3,865                 | \$ 3,887                      | \$ 40,344 | \$ 4,578               | \$ 1,058           |

- Other Revenue was \$3.9 million favorable to budget for the month due to an increase in non-capital grant revenue. It was \$4.6 million favorable to budget for the year-to-date due to higher than anticipated non-capital grant, parking lot, and movie generated revenues in addition to scrap material sales. Other revenue was \$3.9 million favorable to December 2020 due to higher non-capital grant and parking lot revenues and \$1.1 million favorable to prior year-to-date due to higher non-capital grant and parking lot revenues which were partially offset by the monthly ride hailing fee received in 2020 but not in 2021. 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        |
|                                | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021       | Amended Budget<br>2021 | Prior Year<br>2020 |
| Total System Generated Revenue | \$ 37,372     | \$ 9,106                 | \$ 19,271                     | \$ 329,801 | \$ 5,279               | \$ 15,737          |

- Total System-Generated Revenue was \$9.1 million higher than budget for the month due to higher than expected vehicle and platform advertising and other revenues. It was \$5.3 million higher than budget for the year-to-date due to higher than expected vehicle and platform advertising and other revenues. It was \$19.3 million higher than December 2020 due to higher fare and pass revenue in addition to higher vehicle and platform advertising revenue and \$15.7 million higher than prior year-to-date due to higher fare revenue.

#### IV. Expenses

| Category | Current Month |                          |                               | Full Year    |                        |                    |
|----------|---------------|--------------------------|-------------------------------|--------------|------------------------|--------------------|
|          | Actual        | Variance to              | Variance to                   | Actual       | Variance to            | Variance to        |
|          | Dec-21        | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 | 2021         | Amended Budget<br>2021 | Prior Year<br>2020 |
| Labor    | \$ 99,882     | \$ (3,623)               | \$ 905                        | \$ 1,155,509 | \$ 9,670               | \$ (20,156)        |

- Labor expense was \$3.6 million unfavorable to budget for the month due to higher than anticipated fringe benefit costs and \$9.7 million favorable for the year-to-date due to lower

than anticipated labor costs. Labor expense was \$0.9 million favorable to December 2020 and \$20.2 million unfavorable to prior year-to-date due to the timing of open positions.

| Category | Current Month    |                          |                               | Full Year      |                        |                    |
|----------|------------------|--------------------------|-------------------------------|----------------|------------------------|--------------------|
|          | Actual<br>Dec-21 | Variance to              | Variance to                   | Actual<br>2021 | Variance to            | Variance to        |
|          |                  | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 |                | Amended Budget<br>2021 | Prior Year<br>2020 |
| Material | \$ 7,020         | \$ 6                     | \$ (1,150)                    | \$ 90,499      | \$ (2,417)             | \$ (15,699)        |

- Material expense was slightly favorable to budget for the month. It was \$2.4 million unfavorable to budget for the year-to-date due to vehicle parts usage. Material expense was \$1.2 million and \$15.7 million unfavorable to December 2020 and prior year-to-date due to vehicle parts usage and increased costs for cleaning supplies related to COVID-19.

| Category | Current Month    |                          |                               | Full Year      |                        |                    |
|----------|------------------|--------------------------|-------------------------------|----------------|------------------------|--------------------|
|          | Actual<br>Dec-21 | Variance to              | Variance to                   | Actual<br>2021 | Variance to            | Variance to        |
|          |                  | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 |                | Amended Budget<br>2021 | Prior Year<br>2020 |
| Fuel     | \$ 2,720         | \$ 499                   | \$ 739                        | \$ 30,779      | \$ 5,502               | \$ 6,346           |

- Fuel for Revenue Equipment expense was \$0.5 million favorable to budget in December primarily due to lower than anticipated usage. Lower usage and fuel prices account for the favorable variance to the prior year-to-date.

| Category | Current Month    |                          |                               | Full Year      |                        |                    |
|----------|------------------|--------------------------|-------------------------------|----------------|------------------------|--------------------|
|          | Actual<br>Dec-21 | Variance to              | Variance to                   | Actual<br>2021 | Variance to            | Variance to        |
|          |                  | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 |                | Amended Budget<br>2021 | Prior Year<br>2020 |
| Power    | \$ 2,191         | \$ 699                   | \$ 51                         | \$ 25,105      | \$ 5,285               | \$ (449)           |

- The Electric Power for Revenue Equipment expense was \$0.7 million favorable to budget for the month and \$5.3 million favorable year-to-date due to lower than anticipated usage. Expenses were \$0.4 million unfavorable to prior year-to-date primarily due to higher usage.

| Category                         | Current Month    |                          |                               | Full Year      |                        |                    |
|----------------------------------|------------------|--------------------------|-------------------------------|----------------|------------------------|--------------------|
|                                  | Actual<br>Dec-21 | Variance to              | Variance to                   | Actual<br>2021 | Variance to            | Variance to        |
|                                  |                  | Amended Budget<br>Dec-21 | Prior Year<br>Dec21 vs. Dec20 |                | Amended Budget<br>2021 | Prior Year<br>2020 |
| Provision for Injuries & Damages | \$ 2,640         | \$ -                     | \$ (807)                      | \$ 31,680      | \$ -                   | \$ (9,680)         |

- The Provision for Injuries & Damages expense was on par with budget for the month and year-to-date. The unfavorable variance to 2020 for the month and year-to-date of \$0.8 million and \$9.7 million, respectively, is due to higher funding requirements in 2021.

| Category                      | Current Month |                |                 | Full Year |                |             |
|-------------------------------|---------------|----------------|-----------------|-----------|----------------|-------------|
|                               | Actual        | Variance to    | Variance to     | Actual    | Variance to    | Variance to |
|                               | Dec-21        | Amended Budget | Prior Year      | 2021      | Amended Budget | Prior Year  |
|                               | Dec-21        | Dec-21         | Dec21 vs. Dec20 | 2021      | 2021           | 2020        |
| Purchase of Security Services | \$ 1,258      | \$ 423         | \$ 455          | \$ 15,680 | \$ 3,639       | \$ 4,296    |

- Purchase of Security Services was \$0.4 million favorable to budget for the month and \$0.5 million favorable to prior year due to the timing of invoices. Year-to-date, expenses were \$3.6 million favorable to budget and \$4.3 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 |
|                | Dec-21        | Amended Budget | Prior Year      | 2021       | Amended Budget | Prior Year  |
|                | Dec-21        | Dec-21         | Dec21 vs. Dec20 | 2021       | 2021           | 2020        |
| Other Expenses | \$ 17,121     | \$ 5,454       | \$ (986)        | \$ 236,107 | \$ 30,672      | \$ (12,191) |

- Other expenses were \$5.5 million favorable to budget for the month and \$30.7 million favorable to budget for the year-to-date due to the timing of contractual services invoices. Other expenses year-to-date were \$12.2 million unfavorable to prior year 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 |
|                          | Dec-21        | Amended Budget | Prior Year      | 2021         | Amended Budget | Prior Year  |
|                          | Dec-21        | Dec-21         | Dec21 vs. Dec20 | 2021         | 2021           | 2020        |
| Total Operating Expenses | \$ 132,832    | \$ 3,457       | \$ (792)        | \$ 1,585,359 | \$ 52,351      | \$ (47,533) |

- Operating Expenses were \$3.5 million favorable to budget for the month primarily due to lower than anticipated other expenses. The unfavorable variance to prior year-to-date was due to higher labor, material, and other expenses in addition to 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 |
|                | Dec-21        | Amended Budget | Prior Year      | 2021      | Amended Budget | Prior Year  |
|                | Dec-21        | Dec-21         | Dec21 vs. Dec20 | 2021      | 2021           | 2020        |
| Recovery Ratio | 38.28%        | (14.54)        |                 | 47.10%    | (7.68)         |             |

- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 38.28% for the month. This was unfavorable to budget

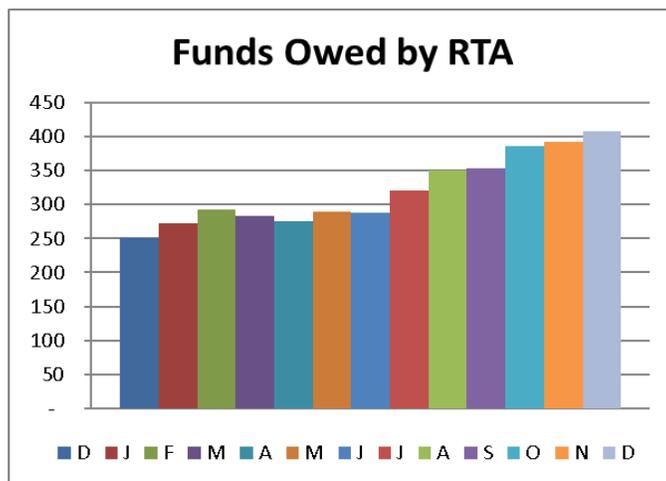
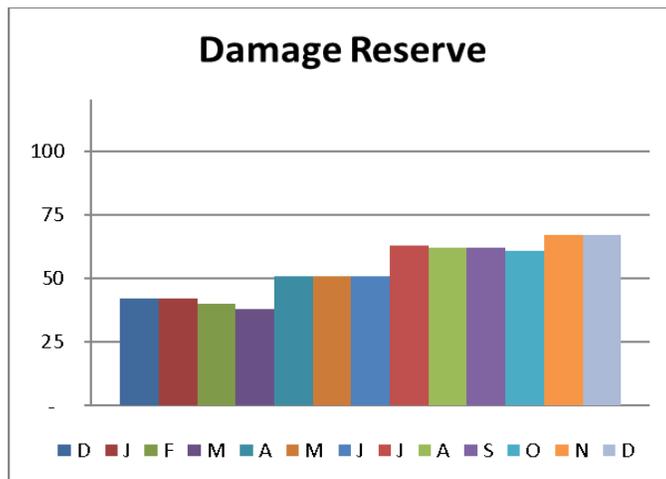
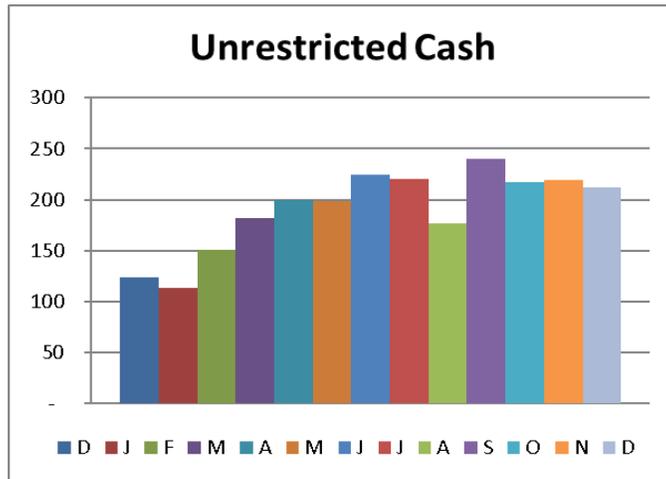
by 14.54 percentage points for the month. Year-to-date, the recovery ratio was 47.10%, which was unfavorable to budget by 7.68 percentage points. The RTA is including the Federal stimulus funds under the CARES Act as replacement fare revenues for recovery ratio purposes. In late 2021, the Illinois legislature granted temporary recovery ratio relief for fiscal years 2021, 2022, and 2023 due to the ongoing pandemic.

## VI. Ridership

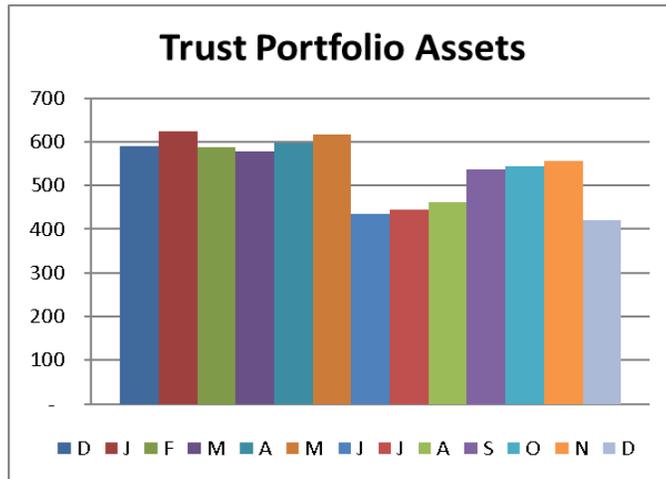
| Category               | Current Month |                            |                        | Full Year      |                            |                        |
|------------------------|---------------|----------------------------|------------------------|----------------|----------------------------|------------------------|
|                        | Actual        | Variance to Amended Budget | Variance to Prior Year | Actual         | Variance to Amended Budget | Variance to Prior Year |
|                        | Dec-21        | Dec-21                     | Dec21 vs. Dec20        | 2021           | 2021                       | 2020                   |
| Bus                    | 10,176        | (3,579)                    | 2,709                  | 117,358        | (7,566)                    | (4,092)                |
| Rail                   | 5,950         | (2,765)                    | 2,919                  | 66,170         | (2,916)                    | 3,829                  |
| Rail to Rail Transfers | 1,090         | (968)                      | 440                    | 12,453         | (3,123)                    | (1,256)                |
| <b>Total</b>           | <b>17,216</b> | <b>(7,312)</b>             | <b>6,068</b>           | <b>195,981</b> | <b>(13,605)</b>            | <b>(1,519)</b>         |

- Ridership for the month of December was 17.2 million and was 7.3 million lower than budget and 6.1 million higher than prior year.
- Calendar adjusted ridership was up 57.1% from prior year due to the COVID-19 pandemic and the current stage of re-opening for the City of Chicago. The City of Chicago fully re-opened on June 11, 2021.
- Ridership for the year-to-date was 196.0 million and was 13.6 million lower than budget and 1.5 million lower than the prior year-to-date.
- Calendar adjusted ridership was down 0.1% from the prior year-to-date.
- More details on ridership can be found in the December Ridership Report.

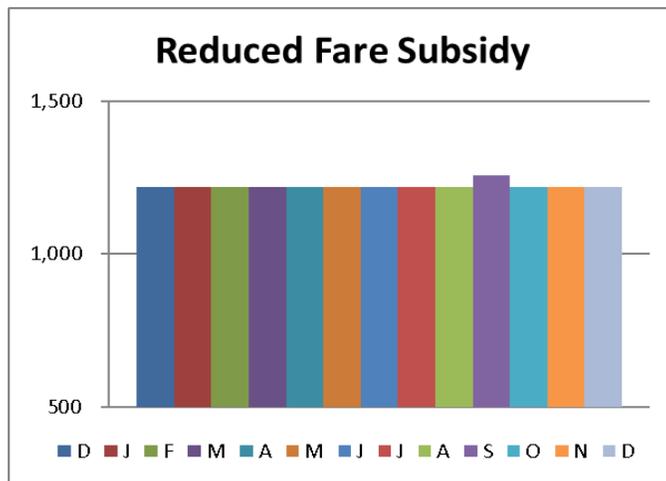
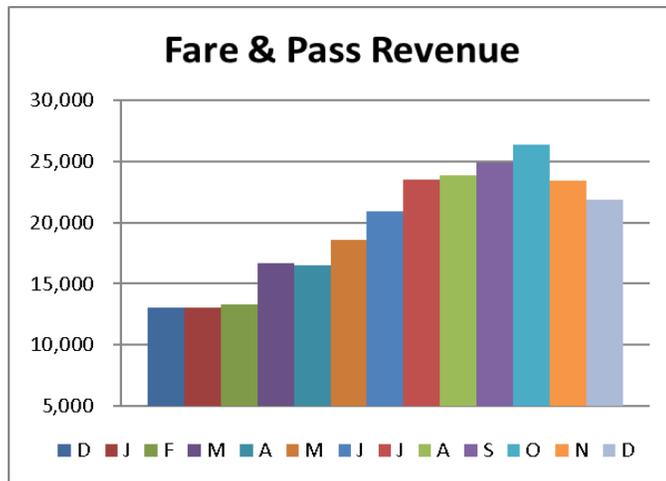
## Cash & Liquidity



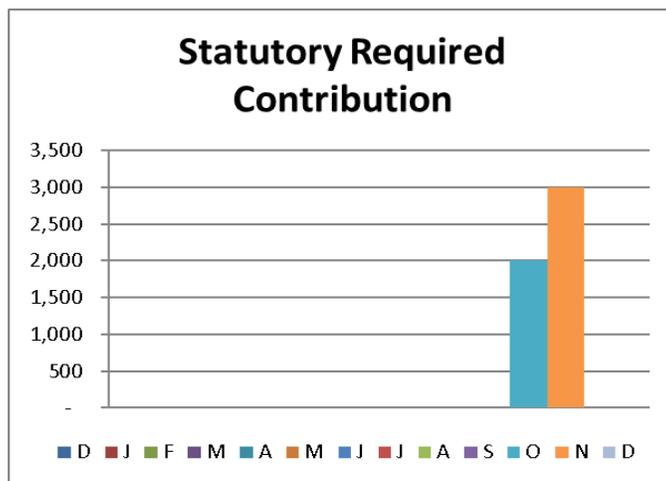
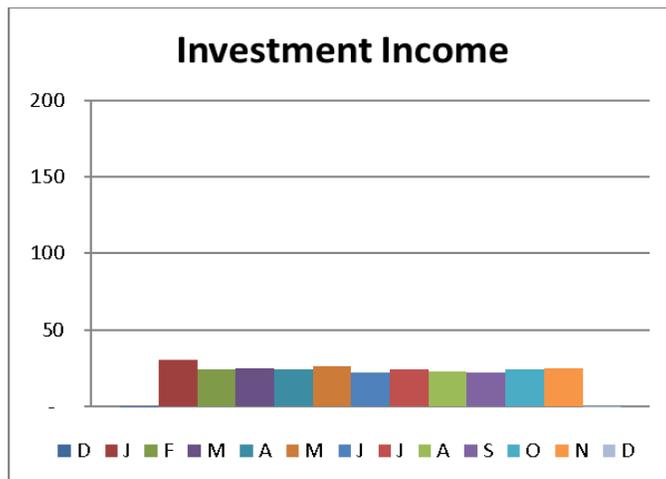
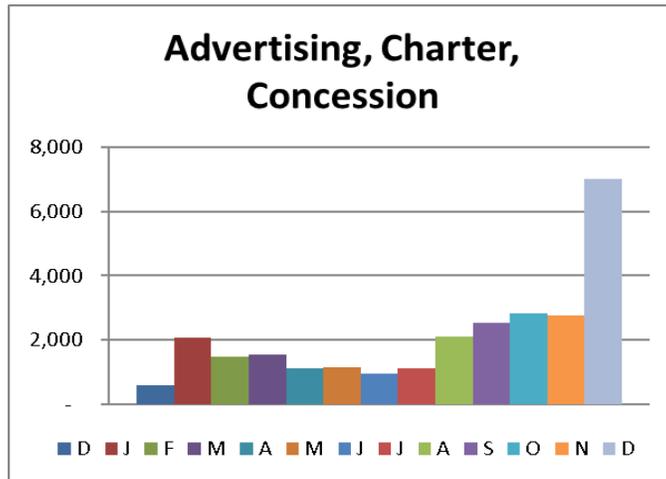
Cash & Liquidity Cont'd



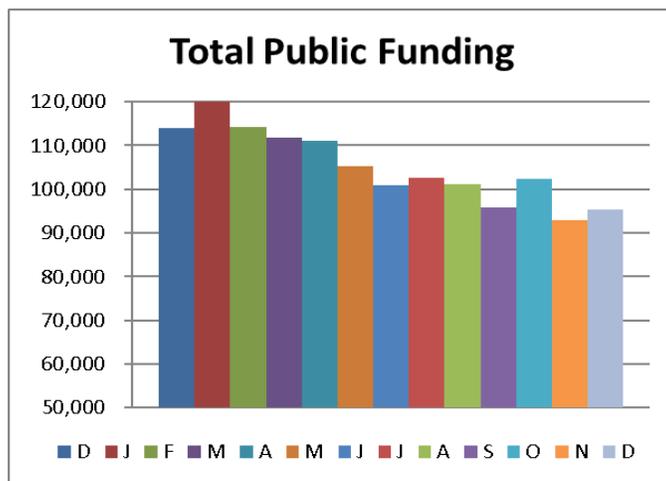
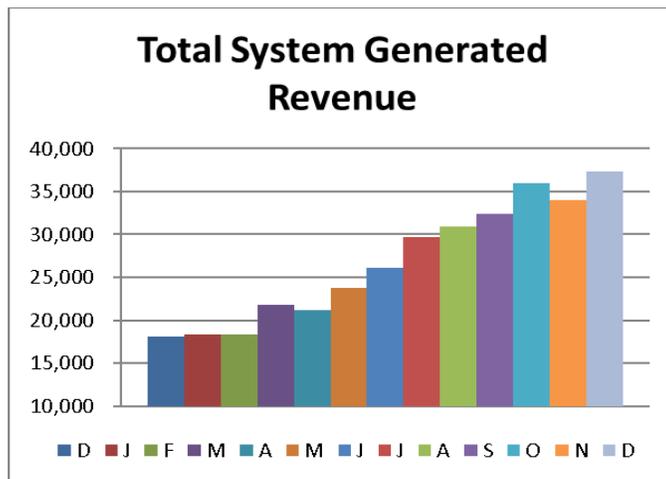
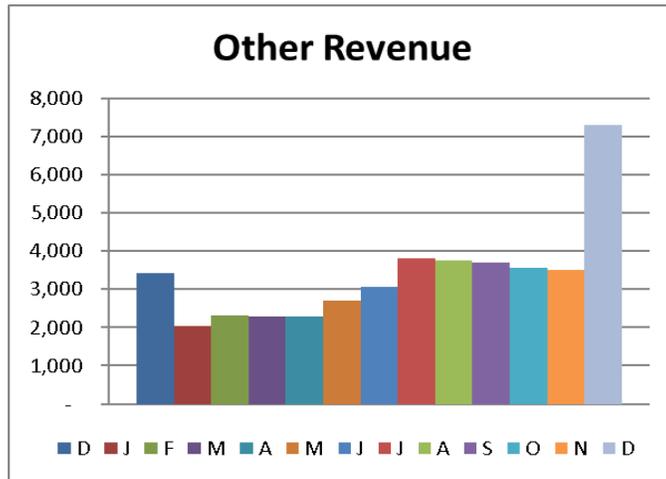
Revenue



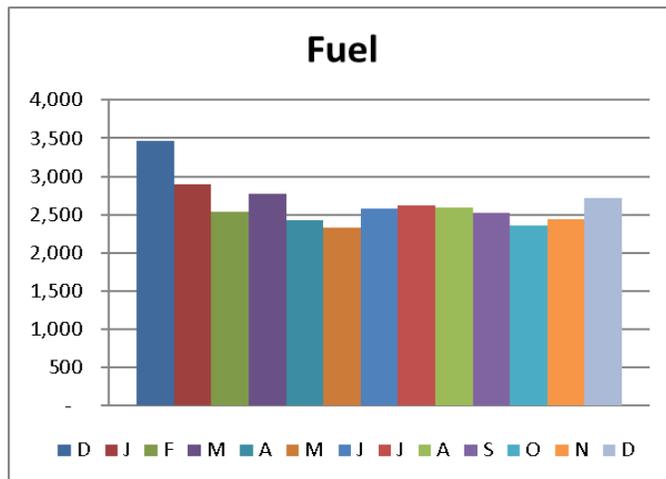
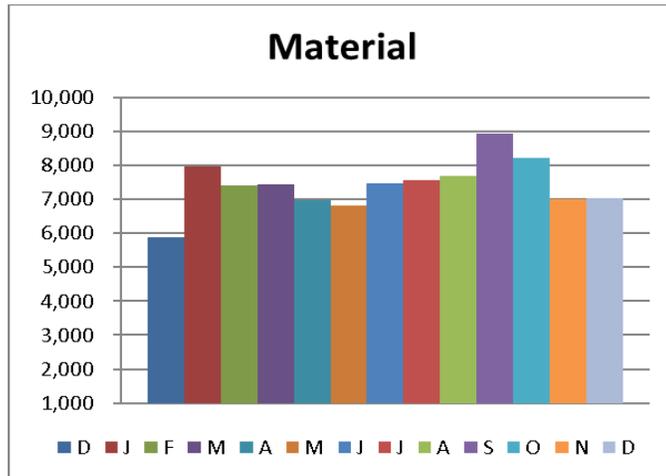
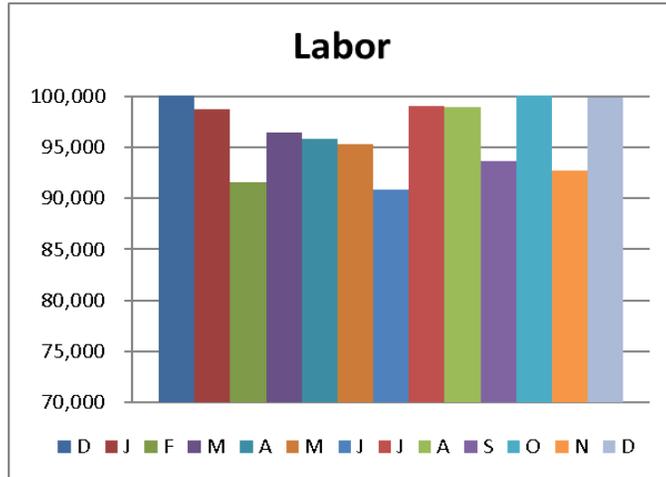
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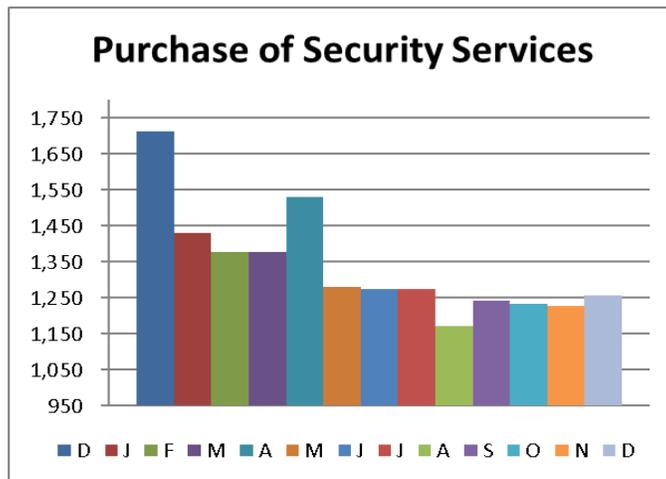
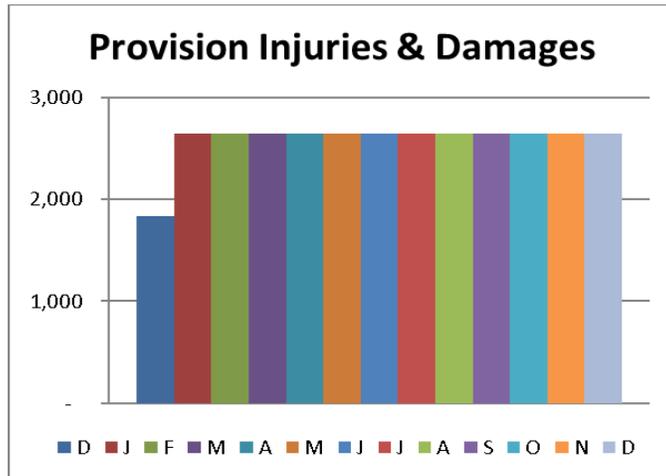
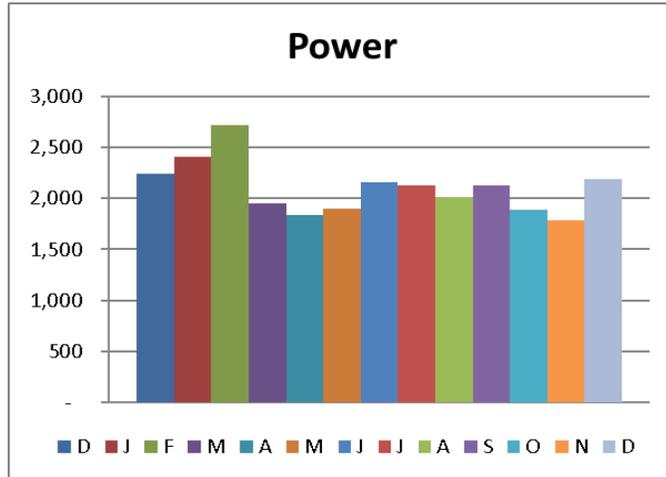
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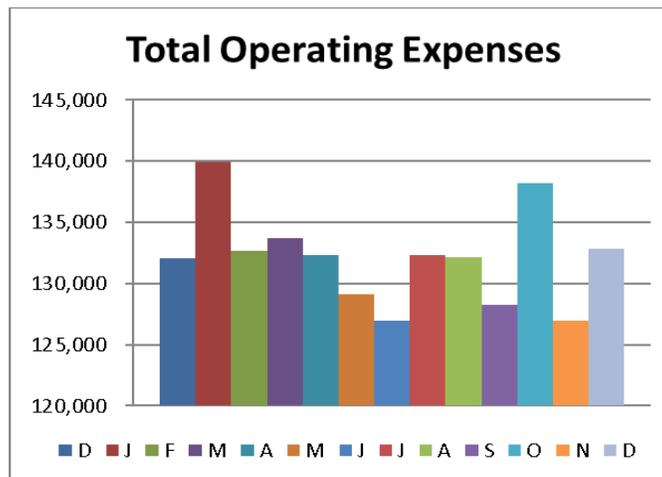
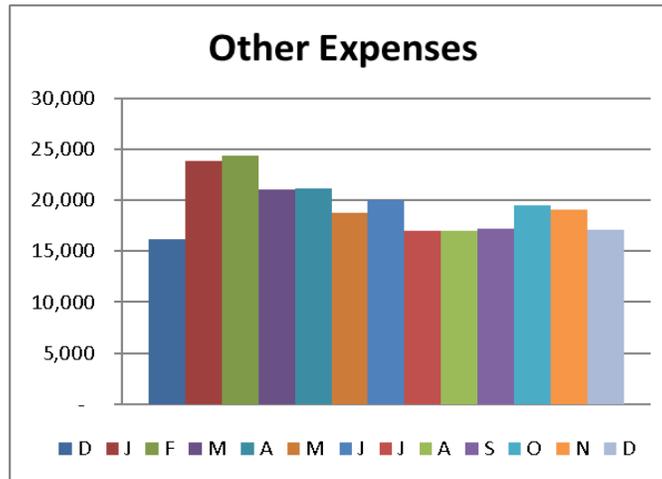
## Expenses



Expenses Cont'd



## Expenses Cont'd



| Cash                   | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Unrestricted Cash      | 124    | 113    | 151    | 182    | 199    | 198    | 224    | 220    | 177    | 240    | 217    | 219    | 212    |
| Damage Reserve         | 42     | 42     | 40     | 38     | 51     | 51     | 51     | 63     | 62     | 62     | 61     | 67     | 67     |
| Funds Owed by RTA      | 251    | 272    | 292    | 284    | 276    | 289    | 288    | 321    | 350    | 354    | 386    | 392    | 408    |
| Trust Portfolio Assets | 591    | 623    | 587    | 578    | 597    | 617    | 434    | 445    | 461    | 536    | 543    | 557    | 421    |

| Revenue                          | Dec-20  | Jan-21  | Feb-21  | Mar-21  | Apr-21  | May-21  | Jun-21  | Jul-21  | Aug-21  | Sep-21 | Oct-21  | Nov-21 | Dec-21 |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|--------|--------|
| Fare & Pass Revenue              | 13,046  | 13,013  | 13,263  | 16,671  | 16,530  | 18,605  | 20,884  | 23,489  | 23,848  | 24,907 | 26,337  | 23,456 | 21,860 |
| Reduced Fare Subsidy             | 1,217   | 1,217   | 1,217   | 1,217   | 1,217   | 1,217   | 1,217   | 1,217   | 1,217   | 1,255  | 1,217   | 1,217  | 1,217  |
| Advertising, Charter, Concession | 579     | 2,059   | 1,476   | 1,551   | 1,105   | 1,154   | 941     | 1,124   | 2,121   | 2,532  | 2,839   | 2,779  | 7,006  |
| Investment Income                | (149)   | 30      | 24      | 25      | 24      | 26      | 22      | 24      | 23      | 22     | 24      | 25     | (7)    |
| Statutory Required Contribution  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -      | 2,000   | 3,000  | -      |
| Other Revenue                    | 3,408   | 2,039   | 2,320   | 2,289   | 2,281   | 2,712   | 3,074   | 3,806   | 3,762   | 3,692  | 3,562   | 3,512  | 7,295  |
| Total System Generated Revenue   | 18,101  | 18,359  | 18,301  | 21,752  | 21,157  | 23,715  | 26,138  | 29,660  | 30,972  | 32,408 | 35,979  | 33,989 | 37,372 |
| Total Public Funding             | 113,938 | 121,550 | 114,347 | 111,927 | 111,190 | 105,369 | 100,840 | 102,700 | 101,137 | 95,844 | 102,253 | 92,940 | 95,460 |

| Expenses                      | Dec-20  | Jan-21  | Feb-21  | Mar-21  | Apr-21  | May-21  | Jun-21  | Jul-21  | Aug-21  | Sep-21  | Oct-21  | Nov-21  | Dec-21  |
|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Labor                         | 100,786 | 98,703  | 91,587  | 96,475  | 95,816  | 95,358  | 90,837  | 99,104  | 99,008  | 93,616  | 102,383 | 92,741  | 99,882  |
| Material                      | 5,870   | 7,956   | 7,417   | 7,443   | 6,976   | 6,828   | 7,455   | 7,567   | 7,682   | 8,927   | 8,225   | 7,001   | 7,020   |
| Fuel                          | 3,460   | 2,901   | 2,539   | 2,767   | 2,430   | 2,325   | 2,573   | 2,614   | 2,586   | 2,523   | 2,362   | 2,439   | 2,720   |
| Power                         | 2,241   | 2,412   | 2,723   | 1,955   | 1,833   | 1,900   | 2,158   | 2,126   | 2,015   | 2,124   | 1,889   | 1,781   | 2,191   |
| Provision Injuries & Damages  | 1,833   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   | 2,640   |
| Purchase of Security Services | 1,713   | 1,431   | 1,378   | 1,378   | 1,531   | 1,281   | 1,276   | 1,275   | 1,171   | 1,242   | 1,233   | 1,227   | 1,258   |
| Other Expenses                | 16,135  | 23,866  | 24,362  | 21,021  | 21,121  | 18,752  | 20,039  | 17,036  | 17,007  | 17,180  | 19,500  | 19,100  | 17,121  |
| Total Operating Expenses      | 132,040 | 139,909 | 132,648 | 133,679 | 132,347 | 129,083 | 126,979 | 132,361 | 132,109 | 128,252 | 138,232 | 126,929 | 132,832 |