



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for February 2021
Date: April 14, 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 \$0.6 million favorable to budget for February primarily due to higher than expected fare and pass revenue. Results are favorable to budget for year-to-date by \$3.9 million primarily due to higher than expected fare and pass revenue and lower than anticipated labor expense. Public funding for 2021 collected year-to-date totaled \$83.2 million, which is \$14.3 million favorable to budget. CTA has drawn down CARES funding of \$134.7 million related to public funding shortfalls and \$431.3 million related to operating losses for a grand total CARES draw of \$566.0 million, which is approximately 69.3% of CTA's CARES allocation.

Ridership for the month was 10.5 million, which was slightly lower than budget and 24.9 million lower than February 2020. Ridership year-to-date was 0.4 million higher than budget and 50.7 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 February 2021 compared to February 2020.

	February 2021	February 2020	Increase (Decrease)
Unrestricted Cash	\$ 151,321	\$ 159,810	\$ (8,489)
Damage Reserve	40,324	49,458	\$ (9,134)
Funds Owed by RTA	292,177	246,229	\$ 45,948
Trust Portfolio Assets	586,530	355,553	\$ 230,977
Total Cash and Receivables	\$ 1,070,352	\$ 811,050	\$ 259,302

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$8.5 million lower than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$9.1 million lower than last year due to settlement payments. Funds owed by the RTA were approximately \$292.2 million which was \$45.9 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 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Fare & Pass Revenue	\$ 13,263	\$ 2,042	\$ (30,535)	\$ 26,277	\$ 3,594	\$ (64,130)

- Fare and pass revenue for February was \$2.0 million favorable to budget despite a slight decline in ridership. The revenue impact from decreased ridership was offset by fare product mix including higher than expected bus full fare cash and farecard ridership. It was \$30.5 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 \$1.27 per ride and was \$0.20 higher than budget and \$0.03 higher than the prior year.
- Year-to-date fare and pass revenue was \$3.6 million favorable to budget due to slightly higher than projected ridership. It was \$64.1 million unfavorable to prior year due to sharply lower ridership as a result of the current COVID-19 pandemic. The average fare for the year was \$1.24 per ride and was \$0.15 higher than budget and \$0.02 lower than the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Reduced Fare Subsidy	\$ 1,217	\$ -	\$ -	\$ 2,434	\$ -	\$ -

- Reduced Fare Subsidy was on par with budget for the month and 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Advertising, Charter, Concession	\$ 1,476	\$ (581)	\$ (2,238)	\$ 3,535	\$ (597)	\$ (3,660)

- Advertising, Charter and Concessions Revenue was \$0.6 million unfavorable to budget for the month and \$0.6 million unfavorable year-to-date due to lower than anticipated vehicle and platform advertising revenue. This revenue category was \$3.7 million lower than prior year-to-date 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Investment income	\$ 24	\$ (60)	\$ (228)	\$ 54	\$ (113)	\$ (469)

- Investment income was \$0.1 million lower than budget for the month and \$0.5 million less than prior year-to-date due to lower than expected short-term market rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Other Revenue	\$ 2,320	\$ (1,500)	\$ (927)	\$ 4,360	\$ (3,276)	\$ (2,417)

- Other Revenue was \$1.5 million and \$3.3 million unfavorable to budget for the month and year-to-date 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 and year-to-date was due to lower than anticipated rental, parking lot, and miscellaneous revenues. Other revenue was \$0.9 million and \$2.4 million unfavorable to February 2020 and prior year-to-date due to the monthly ride hailing fee received in 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Total System Generated Revenue	\$ 18,301	\$ (98)	\$ (33,929)	\$ 36,659	\$ (392)	\$ (70,676)

- Total System-Generated Revenue was lower than budget for the month and year-to-date by \$0.1 million and \$0.4 million, respectively, 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 \$33.9 million and \$70.7 million lower than February 2020 and prior year-to-date, respectively, 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Labor	\$ 91,587	\$ 511	\$ 922	\$ 190,291	\$ 2,409	\$ 905

- Labor expense was \$0.5 million favorable to budget for the month and \$2.4 million favorable for the year-to-date due to lower than anticipated labor costs. Labor expense was \$0.9 million favorable to February 2020 and \$0.9 million favorable to prior year-to-date due to managing vacant positions.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Material	\$ 7,417	\$ (210)	\$ (986)	\$ 15,373	\$ (231)	\$ (1,899)

- Material expense was \$0.2 million unfavorable to budget for the month and \$0.2 million unfavorable year-to-date due to vehicle parts usage. Material expense was \$1.0 million and \$1.9 million unfavorable to February 2020 and prior year-to-date 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Fuel	\$ 2,539	\$ 733	\$ 967	\$ 5,440	\$ 1,476	\$ 1,754

- Fuel for Revenue Equipment expense was \$0.7 million favorable to budget in February 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	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Power	\$ 2,723	\$ 76	\$ 66	\$ 5,134	\$ 646	\$ 427

- The Electric Power for Revenue Equipment expense was \$0.1 million favorable to budget for the month and \$0.6 million favorable year-to-date due to lower than anticipated usage. Expenses were \$0.4 million favorable to prior year-to-date primarily due to lower usage.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Provision for Injuries & Damages	\$ 2,640	\$ -	\$ (807)	\$ 5,280	\$ -	\$ (1,613)

- 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 \$1.6 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Purchase of Security Services	\$ 1,378	\$ 303	\$ 288	\$ 2,809	\$ 553	\$ 479

- Purchase of Security Services was \$0.3 million favorable to budget for the month and \$0.3 million favorable to prior year due to the timing of invoices. Year-to-date, expenses were \$0.5 million favorable to budget and \$0.5 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Other Expenses	\$ 24,362	\$ (745)	\$ (3,919)	\$ 48,229	\$ (594)	\$ (5,335)

- Other expenses were \$0.7 million unfavorable to budget for the month and \$0.6 million unfavorable to budget for the year-to-date due to the timing of contractual services invoices. Other expenses year-to-date were \$5.3 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Total Operating Expenses	\$ 132,648	\$ 668	\$ (3,468)	\$ 272,556	\$ 4,259	\$ (5,282)

- Operating Expenses were \$0.7 million favorable to budget for the month primarily due to lower than anticipated fuel and labor costs. The unfavorable variance to prior year-to-date 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
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Recovery Ratio	54.29%	0.08		54.92%	1.05	

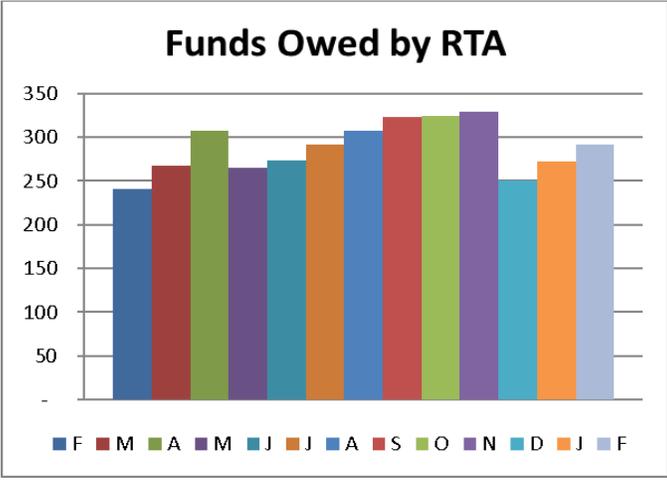
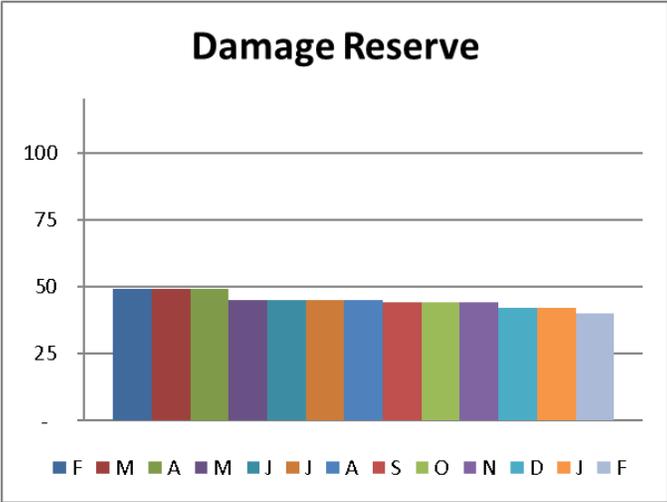
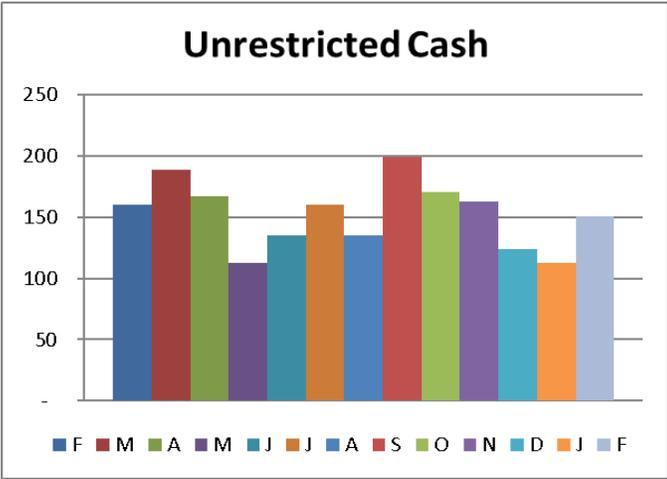
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 54.29% for the month. This was favorable to budget by 0.08 percentage points for the month. Year-to-date, the recovery ratio was 54.92%, which was favorable to budget by 1.05 percentage points. The RTA is including the Federal stimulus funds under the CARES Act as replacement fare revenues for recovery ratio purposes.

VI. Ridership

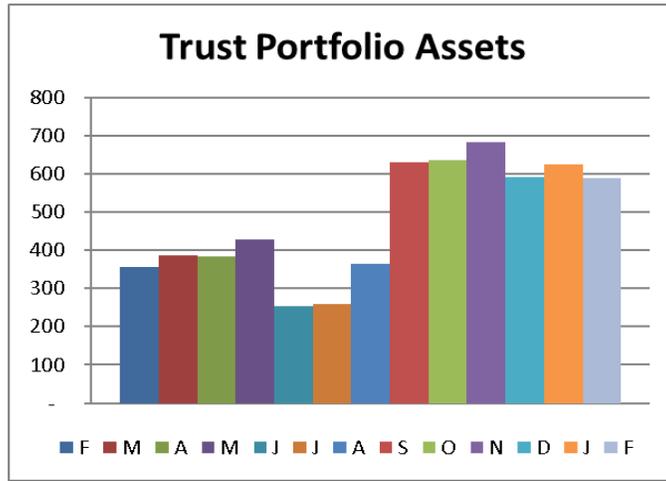
Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Feb-21	Budget Feb-21	Prior Year Feb21 vs. Feb20	2021	Budget 2021	Prior Year 2020
Bus	6,807	(444)	(12,223)	13,964	(304)	(24,549)
Rail	3,016	244	(10,350)	5,981	427	(21,439)
Rail to Rail Transfers	636	153	(2,297)	1,300	285	(4,760)
Total	10,459	(47)	(24,870)	21,245	408	(50,747)

- Ridership for the month of February was 10.5 million and was slightly lower than budget and 24.9 million lower than prior year.
- Calendar adjusted ridership was down 69.7% from prior year due to the COVID-19 pandemic.
- Ridership for the year-to-date was 21.2 million and was 0.4 million higher than budget and 50.7 million lower than the prior year-to-date.
- Calendar adjusted ridership was down 69.6% from the prior year-to-date.
- More details on ridership can be found in the February Ridership Report.

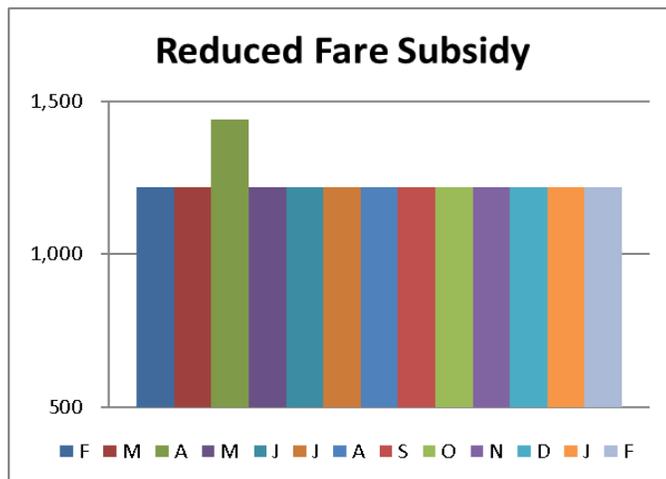
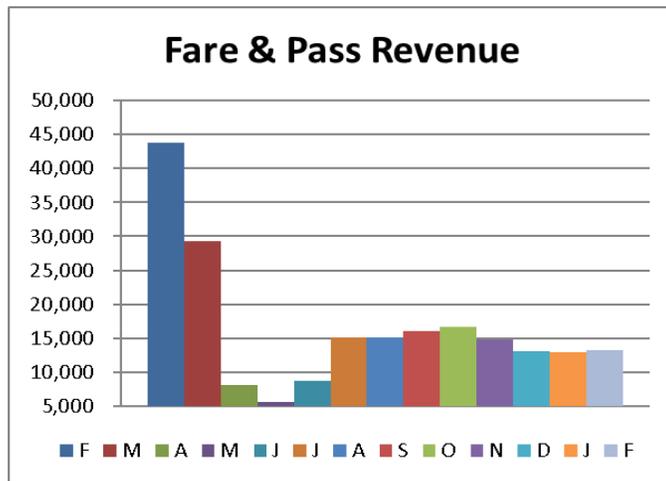
Cash & Liquidity



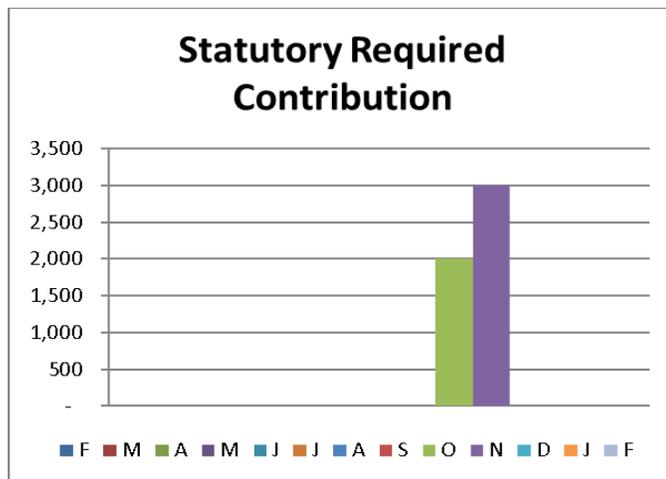
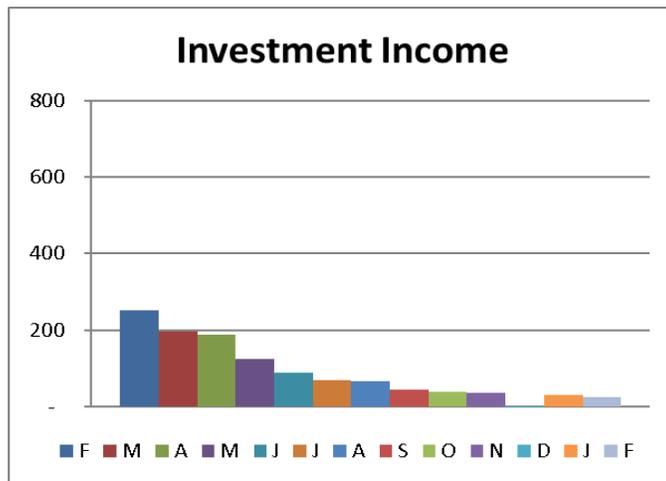
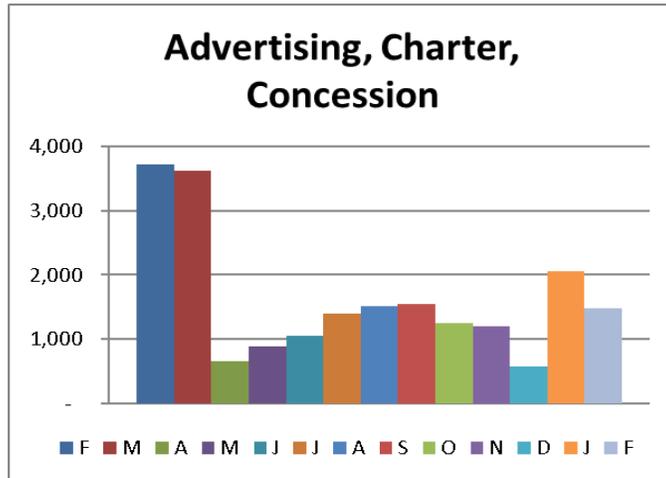
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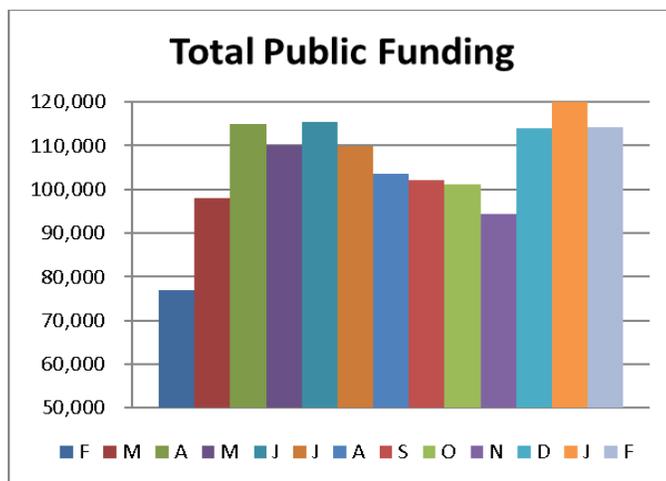
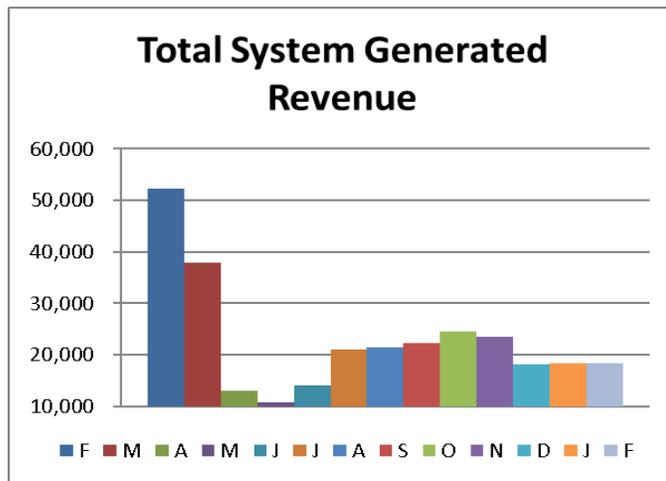
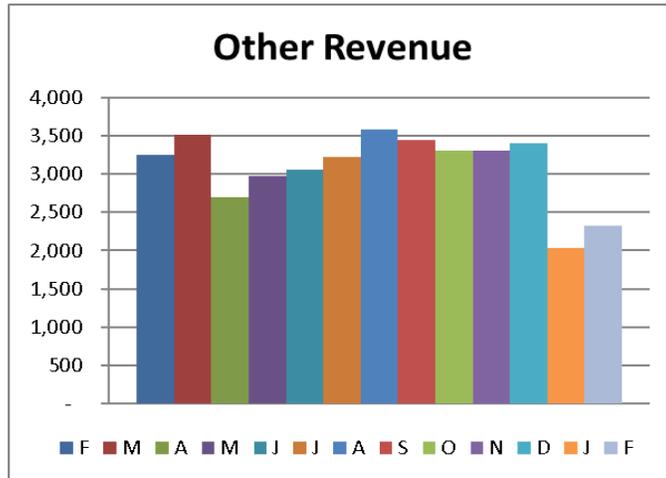
Revenue



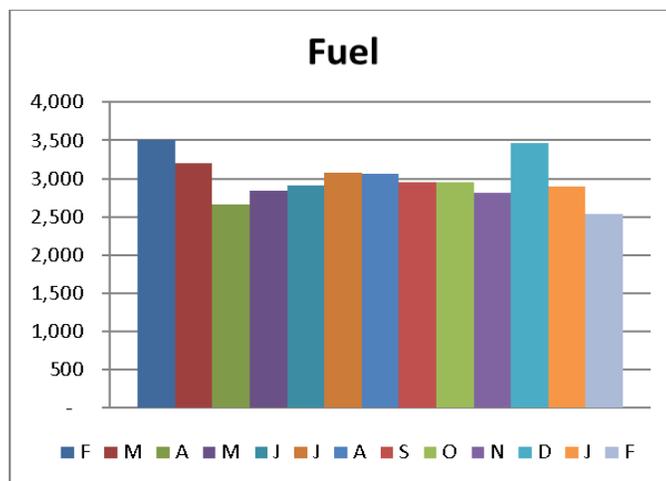
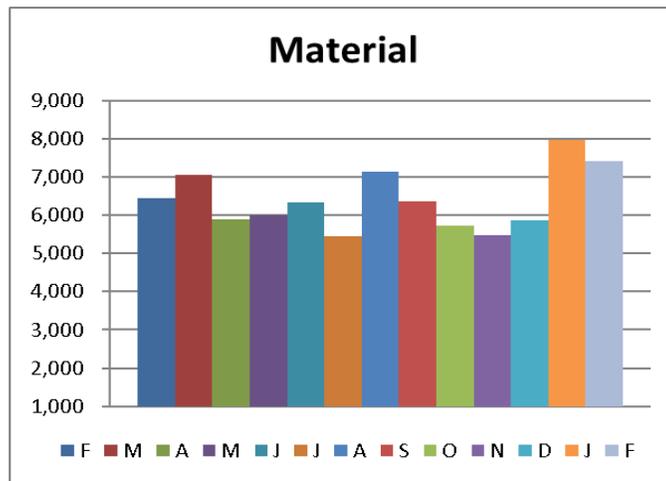
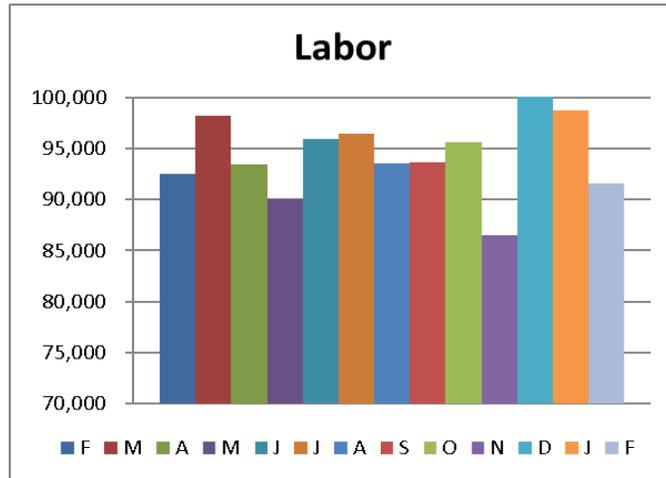
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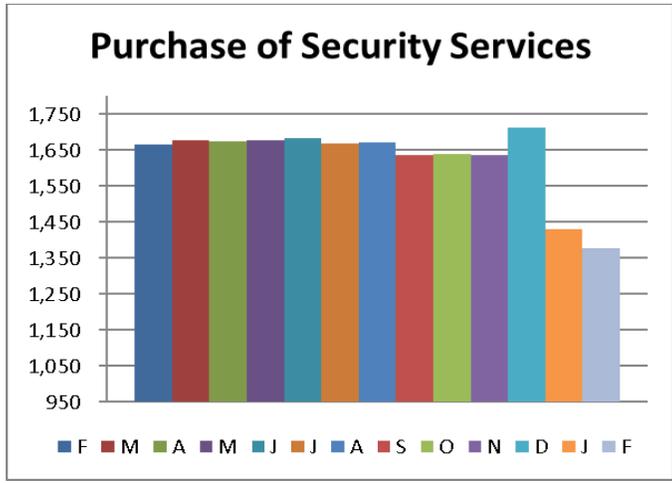
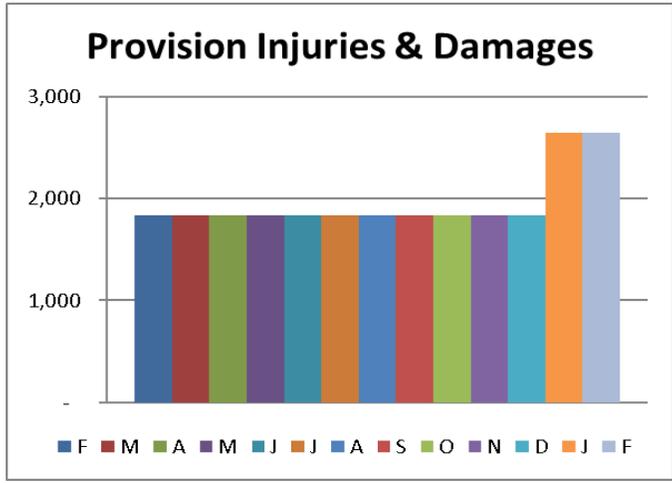
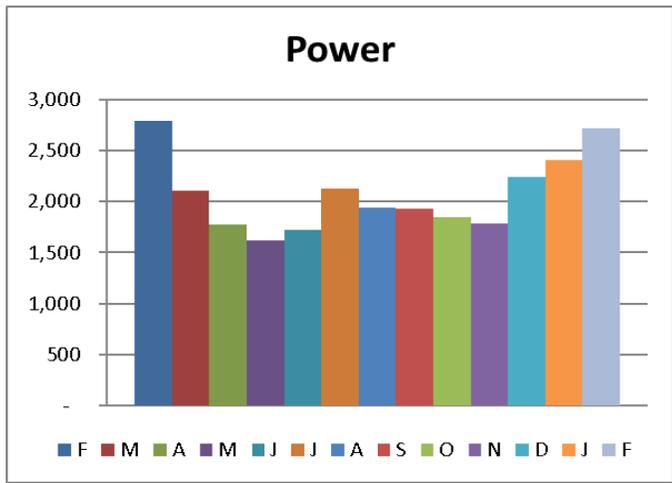
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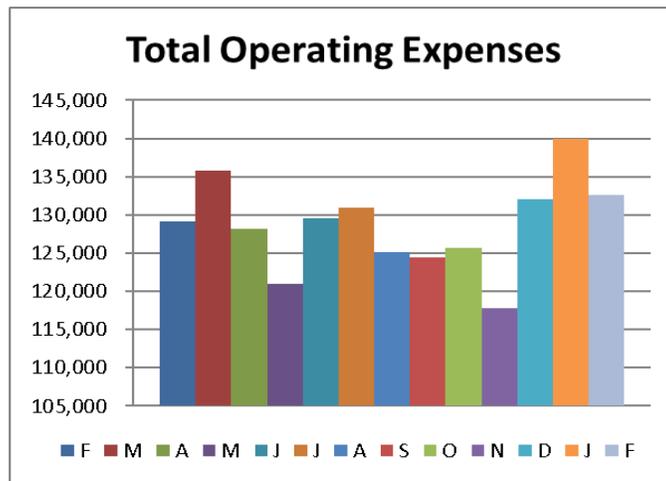
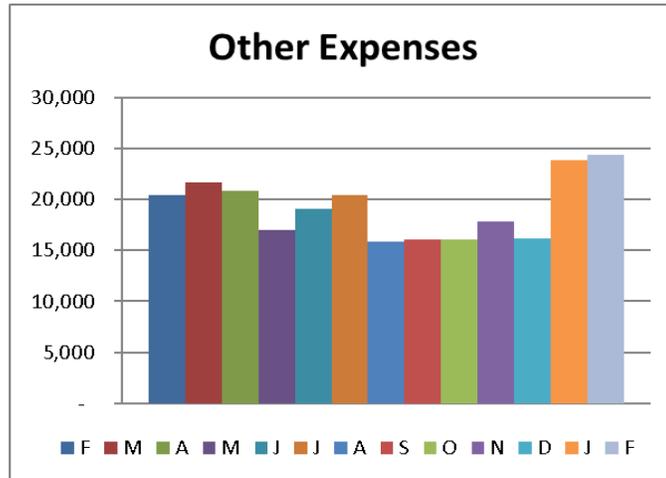
Expenses



Expenses Cont'd



Expenses



Cash	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Unrestricted Cash	160	189	167	113	135	160	135	199	171	163	124	113	151
Damage Reserve	49	49	49	45	45	45	45	44	44	44	42	42	40
Funds Owed by RTA	241	267	307	265	274	292	307	323	325	329	251	272	292
Trust Portfolio Assets	356	385	384	429	253	260	363	630	634	683	591	623	587

Revenue	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Fare & Pass Revenue	43,798	29,234	8,077	5,606	8,711	15,138	15,158	16,012	16,672	14,769	13,046	13,013	13,263
Reduced Fare Subsidy	1,217	1,217	1,440	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217	1,217
Advertising, Charter, Concession	3,715	3,618	659	888	1,054	1,396	1,515	1,538	1,248	1,208	579	2,059	1,476
Investment Income	251	195	188	125	89	68	66	45	37	35	(149)	30	24
Statutory Required Contribution	-	-	-	-	-	-	-	-	2,000	3,000	-	-	-
Other Revenue	3,247	3,515	2,693	2,969	3,058	3,222	3,579	3,450	3,302	3,313	3,408	2,039	2,320
Total System Generated Revenue	52,230	37,779	13,057	10,805	14,129	21,040	21,535	22,263	24,476	23,542	18,101	18,359	18,301
Total Public Funding	76,950	98,056	115,045	110,207	115,392	109,955	103,562	102,164	101,227	94,277	113,938	121,550	114,347

Expenses	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Labor	92,509	98,284	93,440	89,995	95,900	96,434	93,574	93,674	95,596	86,474	100,786	98,703	91,587
Material	6,432	7,066	5,895	5,993	6,343	5,460	7,142	6,364	5,731	5,462	5,870	7,956	7,417
Fuel	3,507	3,203	2,661	2,843	2,907	3,078	3,062	2,949	2,948	2,818	3,460	2,901	2,539
Power	2,789	2,111	1,774	1,622	1,721	2,125	1,937	1,932	1,843	1,787	2,241	2,412	2,723
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	2,640	2,640
Purchase of Security Services	1,667	1,678	1,675	1,678	1,685	1,670	1,673	1,638	1,640	1,637	1,713	1,431	1,378
Other Expenses	20,443	21,659	20,823	17,047	19,131	20,395	15,876	16,037	16,111	17,808	16,135	23,866	24,362
Total Operating Expenses	129,179	135,835	128,102	121,012	129,521	130,995	125,097	124,428	125,703	117,819	132,040	139,909	132,648