



To: Chicago Transit Authority Board
From: Jeremy Fine, Chief Financial Officer
Re: Financial Results for April 2021
Date: June 16, 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. The financial results incorporate the amended budget approved at the May 2021 board meeting. CTA's financial results are \$4.2 million favorable to budget for April and year-to-date primarily due to lower than anticipated labor and other expenses. Public funding for 2021 collected year-to-date totaled \$195.4 million, which is \$21.4 million favorable to budget. CTA has drawn down CARES funding of \$175.1 million related to public funding shortfalls and \$498.5 million related to operating losses for a grand total CARES draw of \$673.6 million, which is approximately 82.4% of CTA's CARES allocation.

Ridership for the month was 13.9 million, which was 1.2 million higher than budget and 5.8 million higher than April 2020. Ridership year-to-date was 1.2 million higher than budget and 54.5 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 April 2021 compared to April 2020.

| | April 2021 | April 2020 | Increase (Decrease) |
|----------------------------|---------------|---------------|------------------------|
| Unrestricted Cash | \$ 199,232 | \$ 166,824 | \$ 32,408 |
| Damage Reserve | 51,348 | 48,543 | \$ 2,805 |
| Funds Owed by RTA | 276,207 | 307,381 | \$ (31,174) |
| Trust Portfolio Assets | 596,707 | 384,138 | \$ 212,569 |
| Total Cash and Receivables | \$ 1,123,494 | \$ 906,886 | \$ 216,608 |

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$32.4 million higher than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$2.8 million higher than last year due to settlement payments offset by deposits into the fund. Funds owed by the RTA were approximately \$276.2 million which was \$31.2 million lower 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 Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Fare & Pass Revenue | \$ 16,530 | \$ (658) | \$ 8,453 | \$ 59,477 | \$ (658) | \$ (68,241) |

- Fare and pass revenue for April was \$0.7 million unfavorable to budget due to lower than expected pass revenue during the month. It was \$8.5 million favorable to prior year due to the temporary suspension of fare collection on buses earlier in the COVID-19 pandemic that has since resumed along with higher ridership. The average fare for the month was \$1.19 per ride and was \$0.16 lower than budget and \$0.20 higher than the prior year.
- Year-to-date fare and pass revenue was \$0.7 million unfavorable to budget due to lower than expected pass revenue. It was \$68.2 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 \$1.22 per ride and was \$0.04 lower than budget and \$0.02 lower than the prior year.

| Category | Current Month | | | Full Year | | |
|----------------------|---------------|----------------------------|------------------------|-----------|----------------------------|------------------------|
| | Actual | Variance to Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Reduced Fare Subsidy | \$ 1,217 | \$ - | \$ (223) | \$ 4,869 | \$ - | \$ (223) |

- 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 Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Advertising, Charter, Concession | \$ 1,105 | \$ (683) | \$ 446 | \$ 6,192 | \$ (683) | \$ (5,281) |

- Advertising, Charter and Concessions Revenue was \$0.7 million unfavorable to budget for the month and year-to-date due to lower than anticipated vehicle and platform advertising revenue. This revenue category was \$5.3 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 |
| | Apr-21 | Amended Budget Apr-21 | Prior Year Apr21 vs. Apr20 | 2021 | Amended Budget 2021 | Prior Year 2020 |
| Investment income | \$ 24 | \$ (1) | \$ (165) | \$ 102 | \$ (1) | \$ (803) |

- Investment income was slightly lower than budget for the month and \$0.8 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 |
| | Apr-21 | Amended Budget Apr-21 | Prior Year Apr21 vs. Apr20 | 2021 | Amended Budget 2021 | Prior Year 2020 |
| Other Revenue | \$ 2,281 | \$ (150) | \$ (412) | \$ 8,929 | \$ (150) | \$ (4,056) |

- Other Revenue was \$0.2 million unfavorable to budget for the month and year-to-date due to lower than anticipated rental and parking lot revenues. Other revenue was \$0.4 million and \$4.1 million unfavorable to April 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, rental, and movie generated revenues.

| Category | Current Month | | | Full Year | | |
|--------------------------------|---------------|--------------------------|-------------------------------|-----------|------------------------|--------------------|
| | Actual | Variance to | Variance to | Actual | Variance to | Variance to |
| | Apr-21 | Amended Budget Apr-21 | Prior Year Apr21 vs. Apr20 | 2021 | Amended Budget 2021 | Prior Year 2020 |
| Total System Generated Revenue | \$ 21,157 | \$ (1,492) | \$ 8,100 | \$ 79,568 | \$ (1,492) | \$ (78,603) |

- Total System-Generated Revenue was lower than budget for the month and year-to-date by \$1.5 million due to lower than expected pass revenue and vehicle and platform advertising revenue. It was \$8.1 million higher than April 2020 due to the temporary suspension of fare collection on buses earlier in the COVID-19 pandemic that has since resumed along with higher ridership and \$78.6 million lower than prior year-to-date 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 |
| | Apr-21 | Amended Budget Apr-21 | Prior Year Apr21 vs. Apr20 | 2021 | Amended Budget 2021 | Prior Year 2020 |
| Labor | \$ 95,816 | \$ 1,548 | \$ (2,375) | \$ 382,581 | \$ 1,548 | \$ 340 |

- Labor expense was \$1.5 million favorable to budget for the month and year-to-date due to lower than anticipated labor costs. Labor expense was \$2.4 million unfavorable to April 2020 due to the timing of open positions and \$0.3 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 |
| | Apr-21 | Amended Budget | Prior Year | 2021 | Amended Budget | Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Material | \$ 6,976 | \$ (242) | \$ (1,081) | \$ 29,792 | \$ (242) | \$ (3,357) |

- Material expense was \$0.2 million unfavorable to budget for the month and year-to-date due to vehicle parts usage. Material expense was \$1.1 million and \$3.4 million unfavorable to April 2021 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 | Variance to | Variance to | Actual | Variance to | Variance to |
| | Apr-21 | Amended Budget | Prior Year | 2021 | Amended Budget | Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Fuel | \$ 2,430 | \$ 508 | \$ 231 | \$ 10,637 | \$ 508 | \$ 2,422 |

- Fuel for Revenue Equipment expense was \$0.5 million favorable to budget in April 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 |
| | Apr-21 | Amended Budget | Prior Year | 2021 | Amended Budget | Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Power | \$ 1,833 | \$ 614 | \$ (59) | \$ 8,923 | \$ 614 | \$ 523 |

- The Electric Power for Revenue Equipment expense was \$0.6 million favorable to budget for the month and year-to-date due to lower than anticipated usage. Expenses were \$0.5 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 |
| | Apr-21 | Amended Budget | Prior Year | 2021 | Amended Budget | Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Provision for Injuries & Damages | \$ 2,640 | \$ - | \$ (807) | \$ 10,560 | \$ - | \$ (3,227) |

- 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 \$3.2 million, respectively, is due to higher funding requirements in 2021.

| Category | Current Month | | | Full Year | | |
|-------------------------------|---------------|----------------------------|------------------------|-----------|----------------------------|------------------------|
| | Actual | Variance to Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Purchase of Security Services | \$ 1,531 | \$ 151 | \$ 145 | \$ 5,718 | \$ 151 | \$ 924 |

- Purchase of Security Services was \$0.2 million favorable to budget for the month and \$0.1 million favorable to prior year due to the timing of invoices. Year-to-date, expenses were \$0.2 million favorable to budget and \$0.9 million favorable to prior year due to the timing of invoices.

| Category | Current Month | | | Full Year | | |
|----------------|---------------|----------------------------|------------------------|-----------|----------------------------|------------------------|
| | Actual | Variance to Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Other Expenses | \$ 21,121 | \$ 3,087 | \$ (298) | \$ 90,371 | \$ 3,087 | \$ (4,996) |

- Other expenses were \$3.1 million favorable to budget for the month and year-to-date due to the timing of contractual services invoices. Other expenses year-to-date were \$5.0 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 Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Total Operating Expenses | \$ 132,347 | \$ 5,665 | \$ (4,244) | \$ 538,582 | \$ 5,665 | \$ (7,371) |

- Operating Expenses were \$5.7 million favorable to budget for the month primarily due to lower than anticipated other expenses and labor costs. The unfavorable variance to prior year-to-date was due to higher other and material 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 Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Recovery Ratio | 56.57% | 1.32 | | 55.66% | 1.32 | |

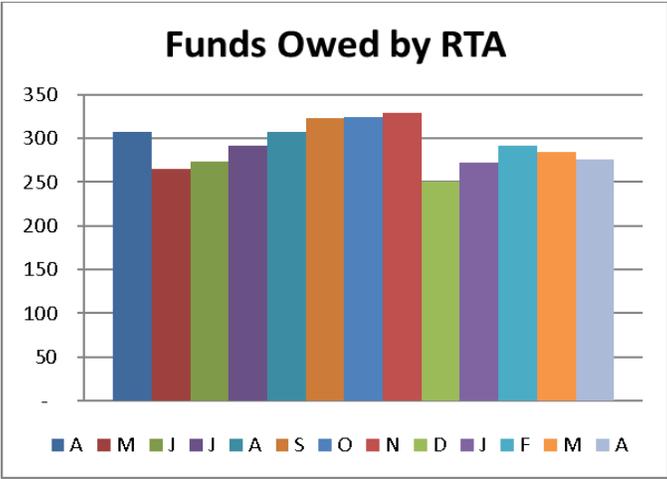
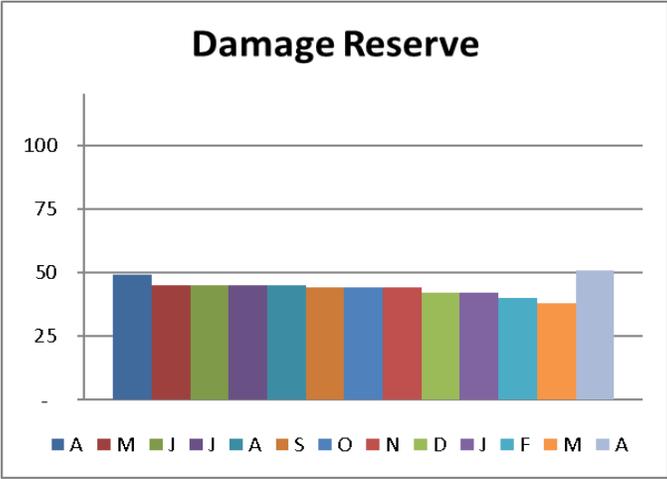
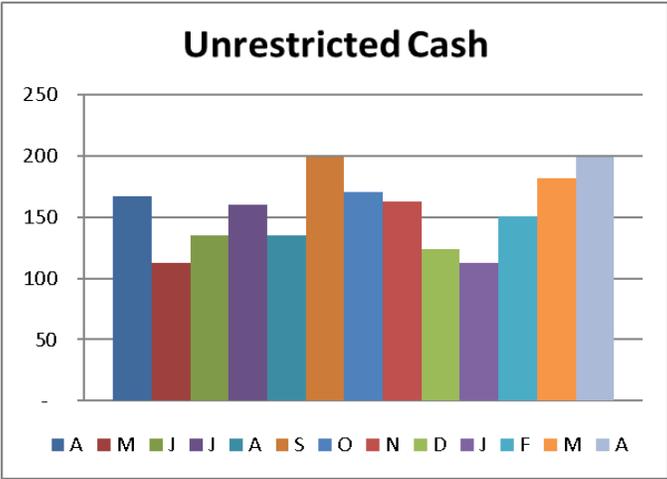
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 56.57% for the month. This was favorable to budget by 1.32 percentage points for the month. Year-to-date, the recovery ratio was 55.66%, which was favorable to budget by 1.32 percentage points. The RTA is including the Federal stimulus funds under the CARES Act as replacement fare revenues for recovery ratio purposes.

VI. Ridership

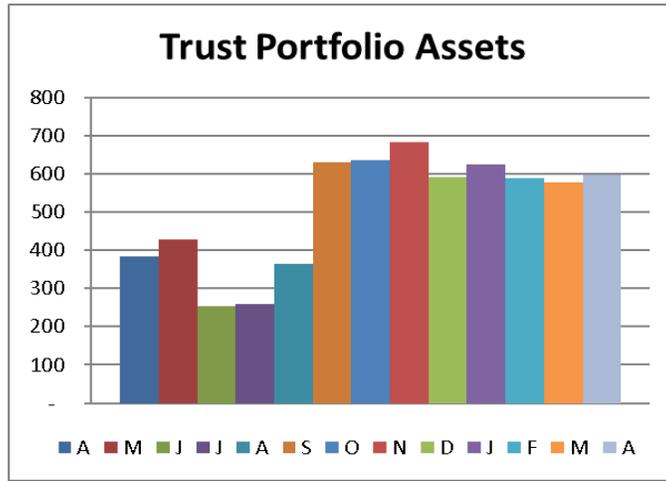
| Category | Current Month | | | Full Year | | |
|------------------------|---------------|----------------------------|------------------------|---------------|----------------------------|------------------------|
| | Actual | Variance to Amended Budget | Variance to Prior Year | Actual | Variance to Amended Budget | Variance to Prior Year |
| | Apr-21 | Apr-21 | Apr21 vs. Apr20 | 2021 | 2021 | 2020 |
| Bus | 8,865 | 213 | 3,013 | 31,696 | 213 | (26,009) |
| Rail | 4,112 | 755 | 2,263 | 13,991 | 755 | (23,302) |
| Rail to Rail Transfers | 892 | 186 | 475 | 3,021 | 186 | (5,226) |
| Total | 13,869 | 1,154 | 5,750 | 48,709 | 1,154 | (54,537) |

- Ridership for the month of April was 13.9 million and was 1.2 million higher than budget and 5.8 million higher than prior year.
- Calendar adjusted ridership was up 70.8% from prior year due to the temporary suspension of fare collection on buses earlier in the COVID-19 pandemic that has since resumed along with higher ridership.
- Ridership for the year-to-date was 48.7 million and was 1.2 million higher than budget and 54.5 million lower than the prior year-to-date.
- Calendar adjusted ridership was down 52.3% from the prior year-to-date.
- More details on ridership can be found in the April Ridership Report.

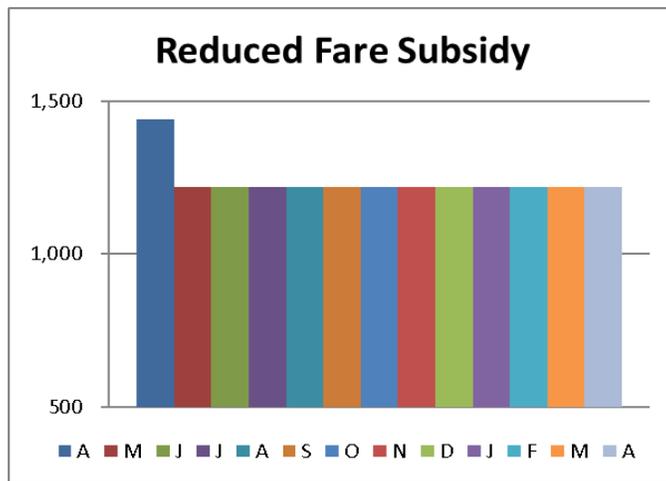
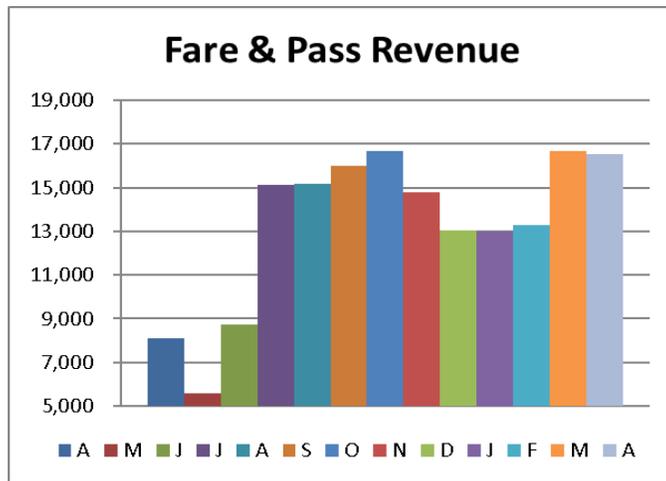
Cash & Liquidity



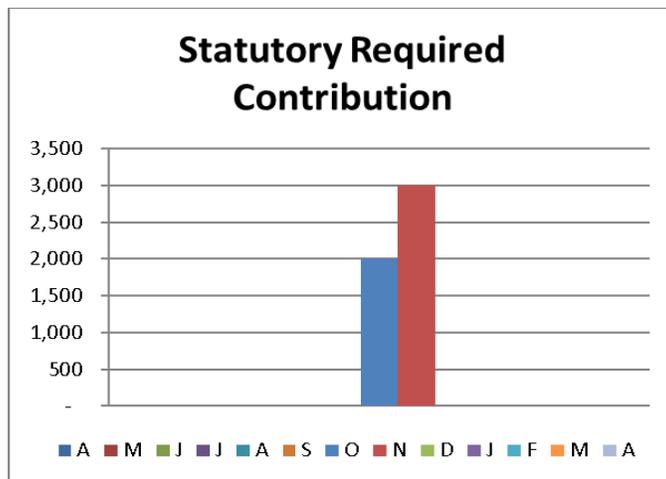
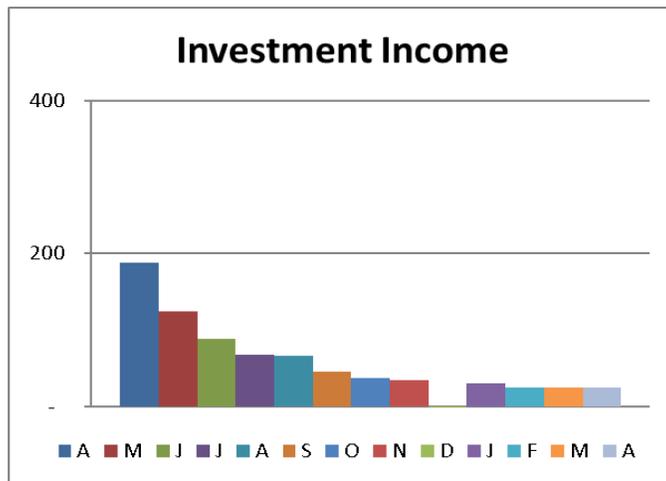
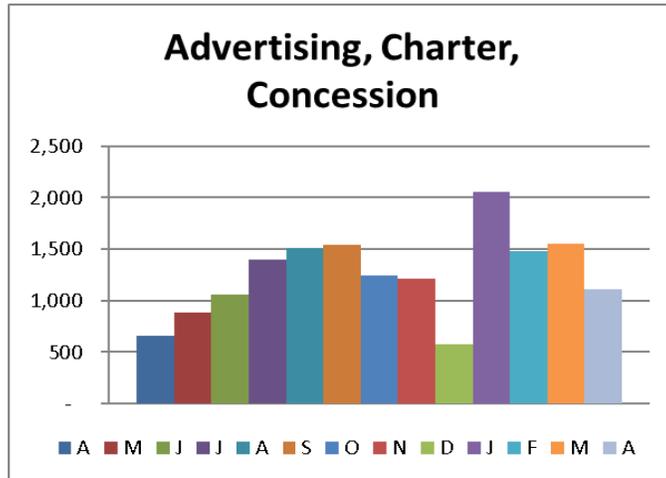
Cash & Liquidity Cont'd



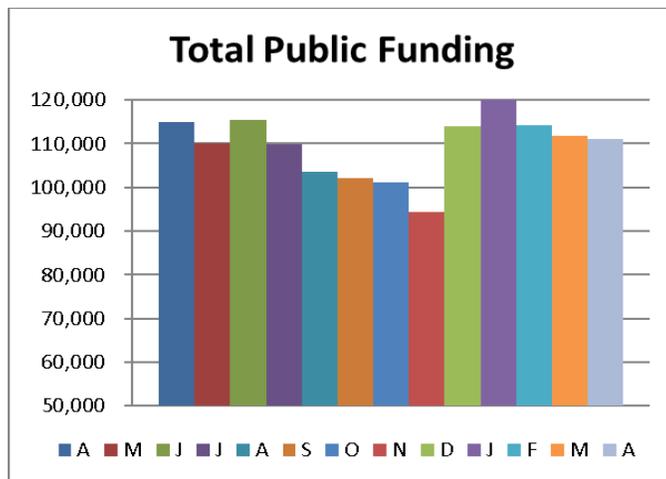
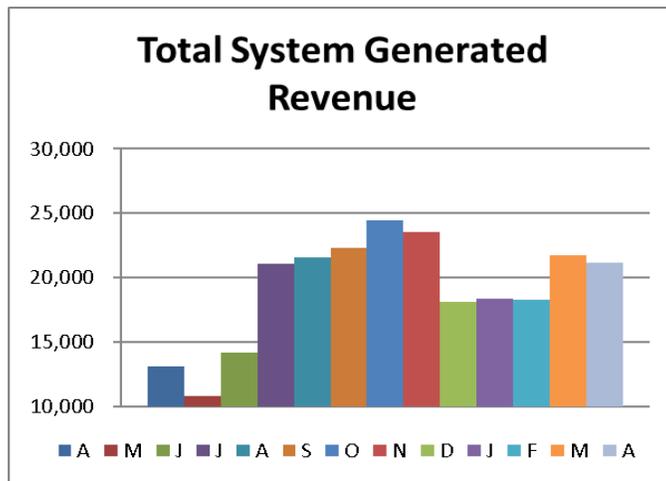
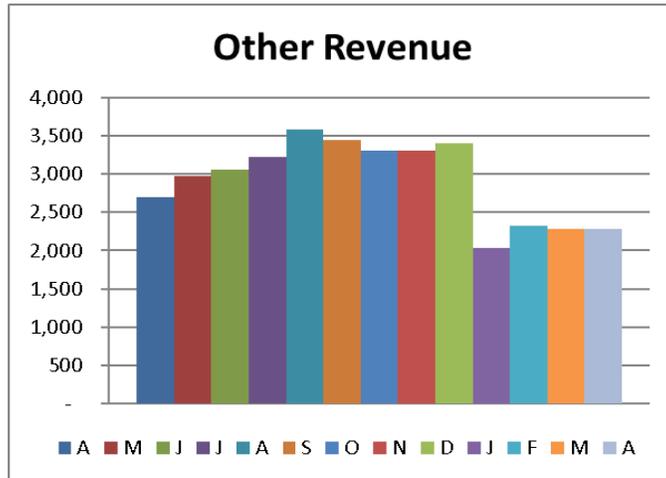
Revenue



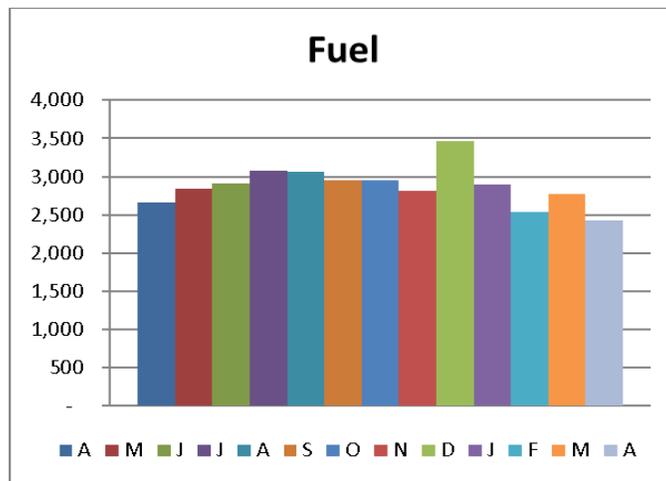
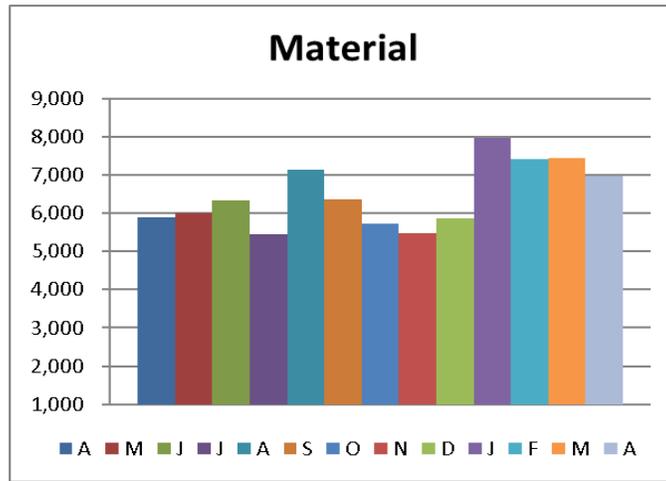
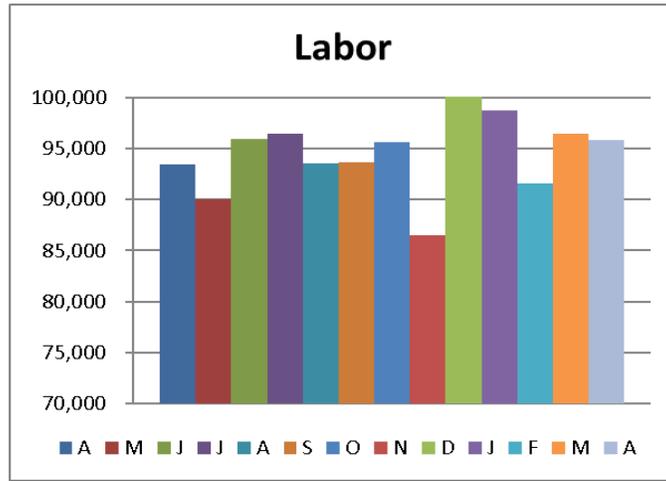
Revenue Cont'd



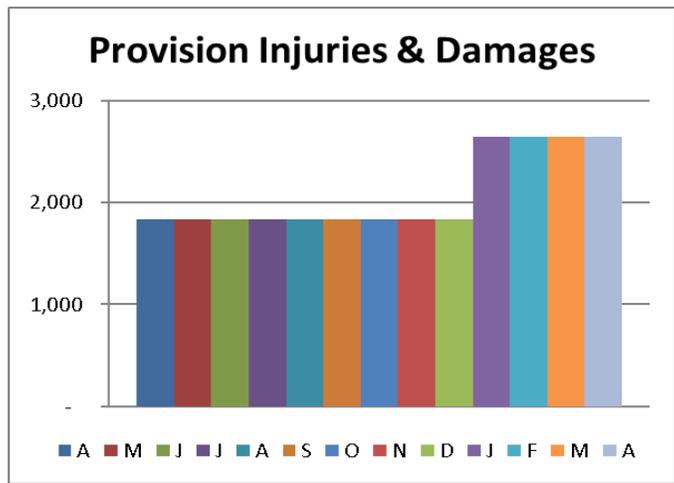
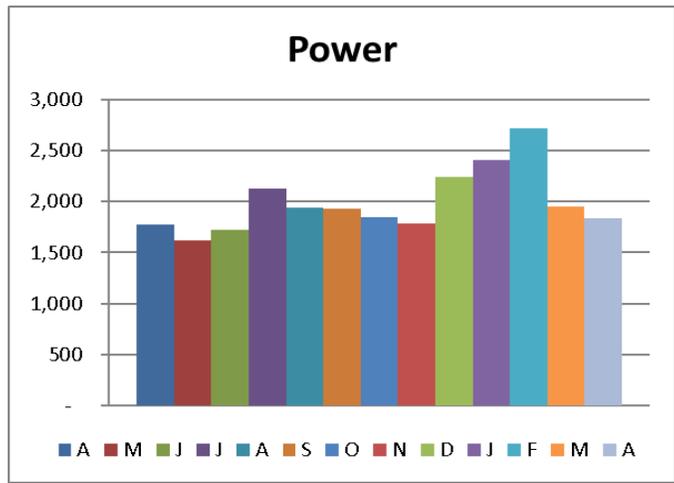
Revenue Cont'd



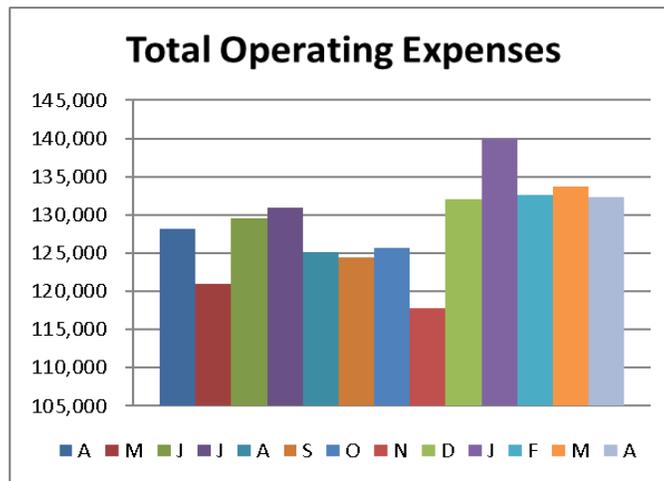
Expenses



Expenses Cont'd



Expenses Cont'd



| Cash | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Unrestricted Cash | 167 | 113 | 135 | 160 | 135 | 199 | 171 | 163 | 124 | 113 | 151 | 182 | 199 |
| Damage Reserve | 49 | 45 | 45 | 45 | 45 | 44 | 44 | 44 | 42 | 42 | 40 | 38 | 51 |
| Funds Owed by RTA | 307 | 265 | 274 | 292 | 307 | 323 | 325 | 329 | 251 | 272 | 292 | 284 | 276 |
| Trust Portfolio Assets | 384 | 429 | 253 | 260 | 363 | 630 | 634 | 683 | 591 | 623 | 587 | 578 | 597 |

| Revenue | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|
| Fare & Pass Revenue | 8,077 | 5,606 | 8,711 | 15,138 | 15,158 | 16,012 | 16,672 | 14,769 | 13,046 | 13,013 | 13,263 | 16,671 | 16,530 |
| Reduced Fare Subsidy | 1,440 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 | 1,217 |
| Advertising, Charter, Concession | 659 | 888 | 1,054 | 1,396 | 1,515 | 1,538 | 1,248 | 1,208 | 579 | 2,059 | 1,476 | 1,551 | 1,105 |
| Investment Income | 188 | 125 | 89 | 68 | 66 | 45 | 37 | 35 | (149) | 30 | 24 | 25 | 24 |
| Statutory Required Contribution | - | - | - | - | - | - | 2,000 | 3,000 | - | - | - | - | - |
| Other Revenue | 2,693 | 2,969 | 3,058 | 3,222 | 3,579 | 3,450 | 3,302 | 3,313 | 3,408 | 2,039 | 2,320 | 2,289 | 2,281 |
| Total System Generated Revenue | 13,057 | 10,805 | 14,129 | 21,040 | 21,535 | 22,263 | 24,476 | 23,542 | 18,101 | 18,359 | 18,301 | 21,752 | 21,157 |
| Total Public Funding | 115,045 | 110,207 | 115,392 | 109,955 | 103,562 | 102,164 | 101,227 | 94,277 | 113,938 | 121,550 | 114,347 | 111,927 | 111,190 |

| Expenses | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Apr-21 |
|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Labor | 93,440 | 89,995 | 95,900 | 96,434 | 93,574 | 93,674 | 95,596 | 86,474 | 100,786 | 98,703 | 91,587 | 96,475 | 95,816 |
| Material | 5,895 | 5,993 | 6,343 | 5,460 | 7,142 | 6,364 | 5,731 | 5,462 | 5,870 | 7,956 | 7,417 | 7,443 | 6,976 |
| Fuel | 2,661 | 2,843 | 2,907 | 3,078 | 3,062 | 2,949 | 2,948 | 2,818 | 3,460 | 2,901 | 2,539 | 2,767 | 2,430 |
| Power | 1,774 | 1,622 | 1,721 | 2,125 | 1,937 | 1,932 | 1,843 | 1,787 | 2,241 | 2,412 | 2,723 | 1,955 | 1,833 |
| Provision Injuries & Damages | 1,833 | 1,833 | 1,833 | 1,833 | 1,833 | 1,833 | 1,833 | 1,833 | 1,833 | 2,640 | 2,640 | 2,640 | 2,640 |
| Purchase of Security Services | 1,675 | 1,678 | 1,685 | 1,670 | 1,673 | 1,638 | 1,640 | 1,637 | 1,713 | 1,431 | 1,378 | 1,378 | 1,531 |
| Other Expenses | 20,823 | 17,047 | 19,131 | 20,395 | 15,876 | 16,037 | 16,111 | 17,808 | 16,135 | 23,866 | 24,362 | 21,021 | 21,121 |
| Total Operating Expenses | 128,102 | 121,012 | 129,521 | 130,995 | 125,097 | 124,428 | 125,703 | 117,819 | 132,040 | 139,909 | 132,648 | 133,679 | 132,347 |