



To: Chicago Transit Authority Board  
From: Jeremy Fine, Chief Financial Officer  
Re: Financial Results for January 2023  
Date: March 8, 2023

## I. Summary

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 \$10.9 million favorable to budget for January primarily due to lower than anticipated labor costs and higher fare and pass revenues. Public funding for 2023 collected in January totaled \$71.7 million, which is \$0.2 million unfavorable to budget. CTA has drawn down the full amount of CARES funding of \$817.5 million in addition to \$61.3 million of CRRSAA funding, which is approximately 17.0% of CTA's CRRSAA allocation, \$70.7 million of ARP funding, which is approximately 7.8% of CTA's ARP allocation, and \$5.7 million of ARP Discretionary funding, which is approximately 4.8% of CTA's ARP Discretionary allocation.

Ridership for the month was 19.9 million, which was 2.1 million higher than budget and 5.5 million higher than January 2022. The ridership increase over the prior year-to-date was due to continued recovery from the COVID-19 pandemic.

## II. Cash & Liquidity

The chart below highlights CTA's cash position at January 2023 compared to January 2022.

	January 2023	January 2022	Increase (Decrease)
Unrestricted Cash	\$ 119,310	\$ 203,056	\$ (83,746)
Damage Reserve	78,282	66,458	\$ 11,824
Funds Owed by RTA	397,680	362,457	\$ 35,223
Trust Portfolio Assets	519,315	422,181	\$ 97,134
Total Cash and Receivables	\$ 1,114,587	\$ 1,054,152	\$ 60,435

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$83.7 million lower than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$11.8 million higher than last year due to deposits into the fund offset by settlement payments. Funds owed by the RTA were approximately \$397.7 million which was \$35.2 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-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Fare & Pass Revenue	\$ 24,665	\$ 3,715	\$ 6,913	\$ 24,665	\$ 3,715	\$ 6,913

- Fare and pass revenue for January was \$3.7 million favorable to budget due to higher than expected bus and rail full fare revenue and pass revenue. It was \$6.9 million favorable to prior year primarily due higher bus and rail full fare revenue and pass revenue. The average fare for the month was \$1.24 per ride and was \$0.06 higher than budget and on par with the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Reduced Fare Subsidy	\$ 1,217	\$ -	\$ -	\$ 1,217	\$ -	\$ -

- 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
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Advertising, Charter, Concession	\$ 2,793	\$ 61	\$ 607	\$ 2,793	\$ 61	\$ 607

- Advertising, Charter and Concessions Revenue was \$0.1 million favorable to budget for the month due to higher than anticipated special contract guarantee revenues and \$0.6 million higher than prior year due to additional in vehicle and platform advertising revenues received in 2023.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Investment income	\$ 633	\$ 424	\$ 604	\$ 633	\$ 424	\$ 604

- Investment income was \$0.4 million favorable to budget and \$0.6 million higher than prior year for the month due to fluctuations in the short-term market rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Other Revenue	\$ 1,768	\$ 36	\$ (239)	\$ 1,768	\$ 36	\$ (239)

- Other Revenue was slightly favorable to budget for the month due to higher than expected rental revenue. Other revenue was \$0.2 million unfavorable to January 2022 due to lower non-capital grant revenue. Lower non-capital grant revenue is offset by lower non-capital grant expense in the Other Expenses category.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Total System Generated Revenue	\$ 31,076	\$ 4,236	\$ 7,885	\$ 31,076	\$ 4,236	\$ 7,885

- Total System-Generated Revenue was \$4.2 million higher than budget for the month due to higher than expected fare and pass revenue. It was \$7.9 million higher than January 2022 due to higher fare and pass revenue.

#### IV. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Labor	\$ 100,139	\$ 8,021	\$ (3,034)	\$ 100,139	\$ 8,021	\$ (3,034)

- Labor expense was \$8.0 million favorable to budget for the month due to lower than anticipated labor costs. Labor expense was \$3.0 million unfavorable to January 2022 due to the timing of open positions and the impact of contractual wage increases.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Material	\$ 9,990	\$ (482)	\$ (1,499)	\$ 9,990	\$ (482)	\$ (1,499)

- Material expense was \$0.5 million unfavorable to budget for the month and \$1.5 million unfavorable to January 2022 due to the timing of vehicle parts usage, most of the bus fleet being out of warranty, and the increase in cost of materials.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Fuel	\$ 3,530	\$ 1,002	\$ (1,063)	\$ 3,530	\$ 1,002	\$ (1,063)

- Fuel for Revenue Equipment expense was \$1.0 million favorable to budget in January due to lower than anticipated usage and fuel prices. Higher usage and fuel prices account for the unfavorable variance to the prior year-to-date.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Power	\$ 2,104	\$ 10	\$ 871	\$ 2,104	\$ 10	\$ 871

- The Electric Power for Revenue Equipment expense was slightly favorable to budget for the month. In May 2022, CTA began receiving a credit for traction power from ComEd as part of the Carbon Free Energy Resources Adjustment (CFERA) credit as a result of a provision in the Climate and Equitable Jobs Act (CEJA) signed by the Governor in September 2021. CTA will be eligible for these credits through May 2023. Expenses were \$0.9 million favorable to prior year-to-date primarily due to the CFERA credit.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Provision for Injuries & Damages	\$ 1,683	\$ -	\$ 957	\$ 1,683	\$ -	\$ 957

- The Provision for Injuries & Damages expense was on par with budget and \$1.0 million favorable to January 2022 due to funding requirements.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Purchase of Security Services	\$ 3,400	\$ 29	\$ (1,426)	\$ 3,400	\$ 29	\$ (1,426)

- Purchase of Security Services was slightly favorable to budget for the month and \$1.4 million unfavorable to January 2022 due to the timing of invoices and an increase in private security services.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Other Expenses	\$ 25,893	\$ (1,957)	\$ 2,068	\$ 25,893	\$ (1,957)	\$ 2,068

- Other expenses were \$2.0 million unfavorable to budget for the month and \$2.1 million favorable to January 2022 due to 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-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Total Operating Expenses	\$ 146,740	\$ 6,622	\$ (3,127)	\$ 146,740	\$ 6,622	\$ (3,127)

- Operating Expenses were \$6.6 million favorable to budget for the month primarily due to lower than anticipated labor costs. The unfavorable variance to prior year was primarily due to higher labor costs in addition to higher material, security, and fuel expenses.

## V. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Recovery Ratio	41.61%	(17.52)		41.61%	(17.52)	

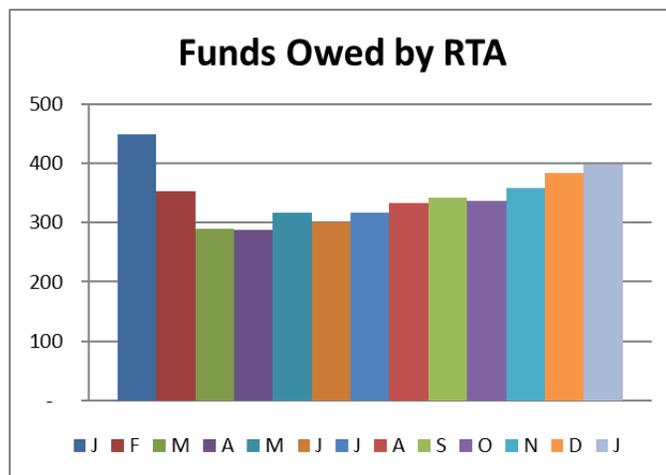
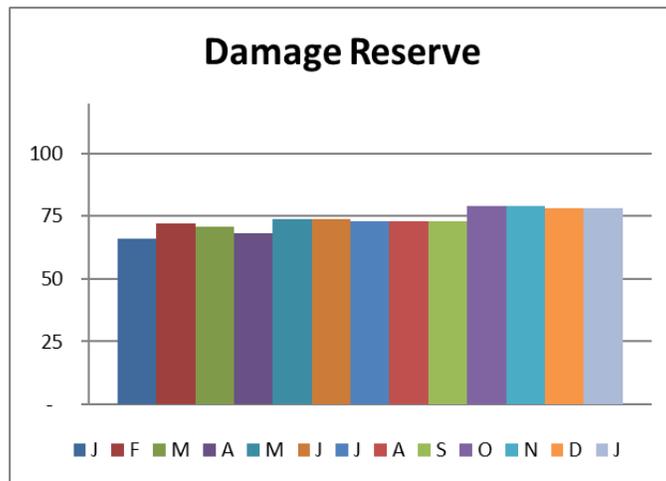
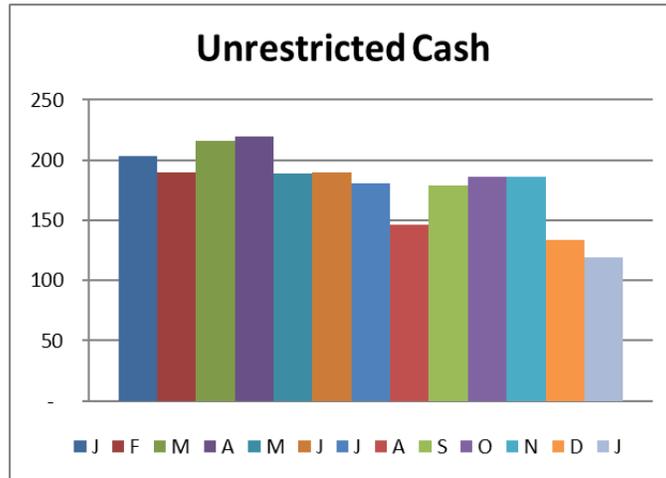
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 41.61% for the month. This was unfavorable to budget by 17.52 percentage points for the month and unfavorable to the RTA required recovery ratio of 54.75% by 13.14 percentage points. The RTA is including the Federal stimulus funds under the CARES, CRRSAA, and ARP Acts 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

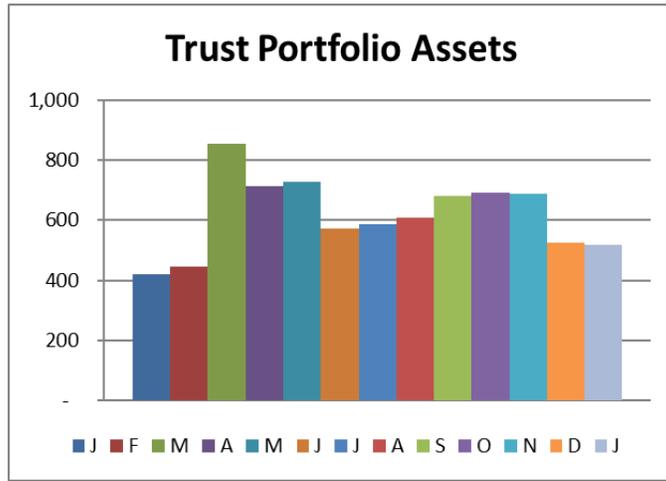
Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-23	Budget Jan-23	Prior Year Jan23 vs. Jan22	2023	Budget 2023	Prior Year 2022
Bus	11,702	1,644	3,095	11,702	1,644	3,095
Rail	6,885	316	2,070	6,885	316	2,070
Rail to Rail Transfers	1,285	172	370	1,285	172	370
Total	19,871	2,132	5,535	19,871	2,132	5,535

- Ridership for the month of January was 19.9 million and was 2.1 million higher than budget and 5.5 million higher than prior year.
- Calendar adjusted ridership was up 39.3% from prior year due to continued recovery from the COVID-19 pandemic.
- More details on ridership can be found in the January Ridership Report.

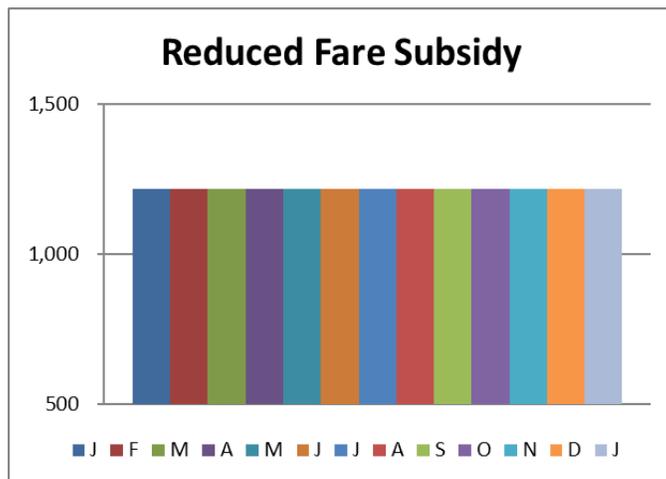
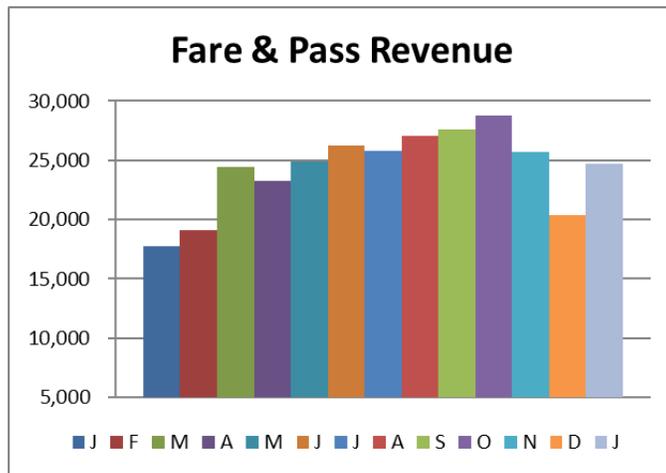
## Cash & Liquidity



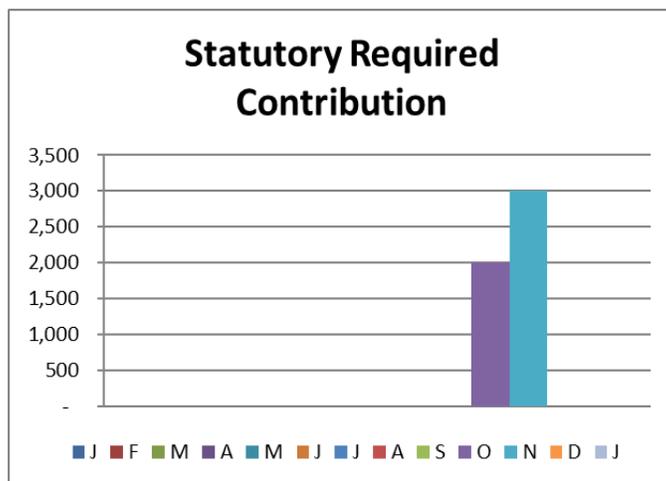
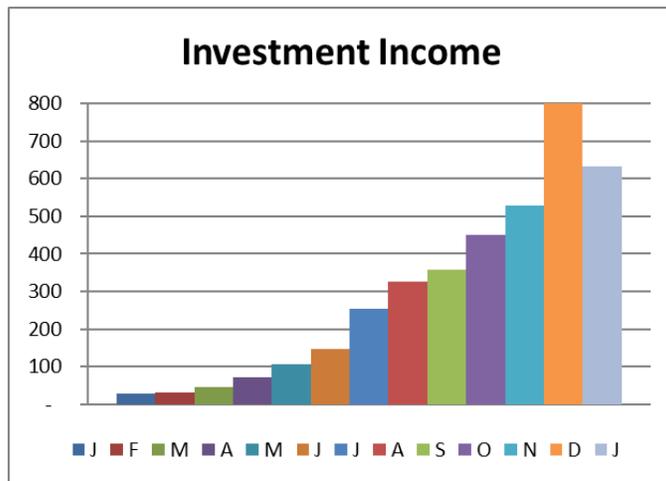
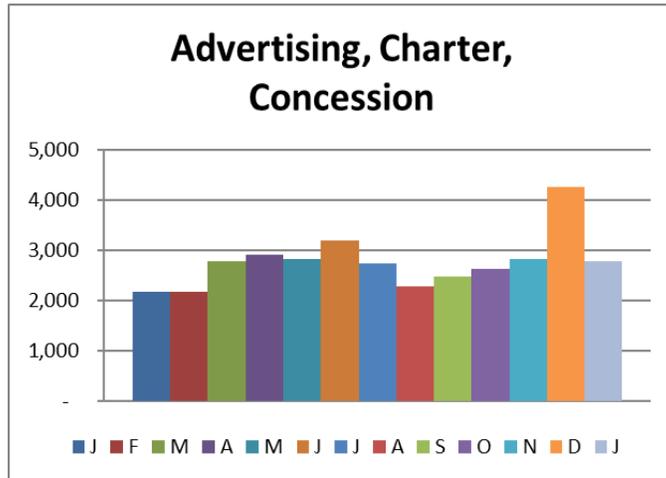
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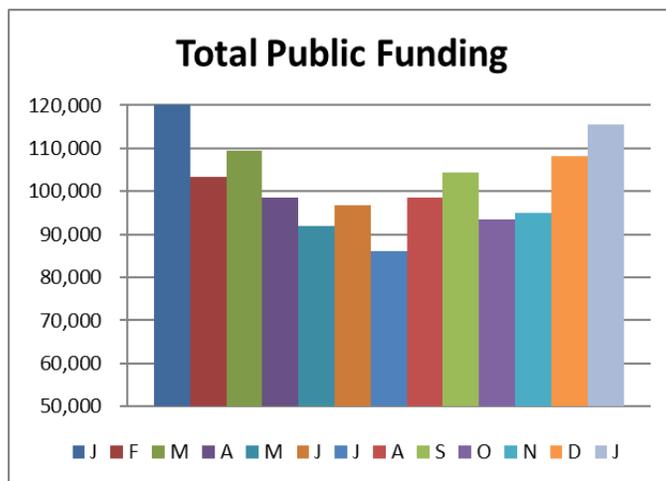
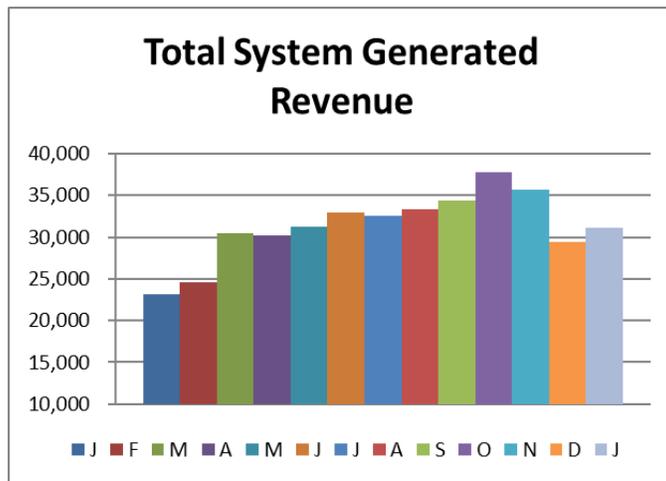
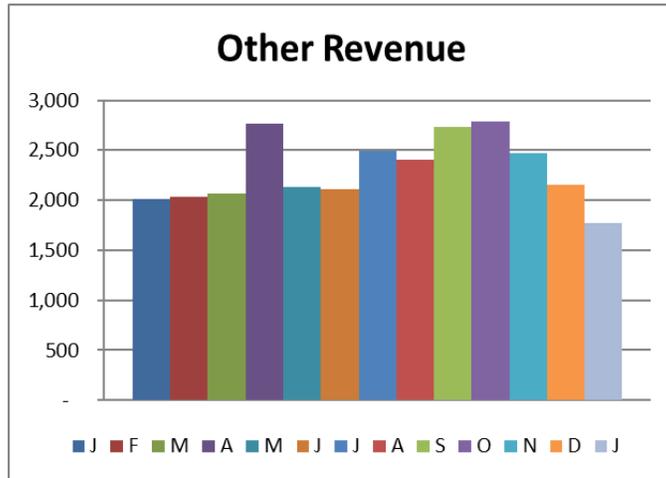
Revenue



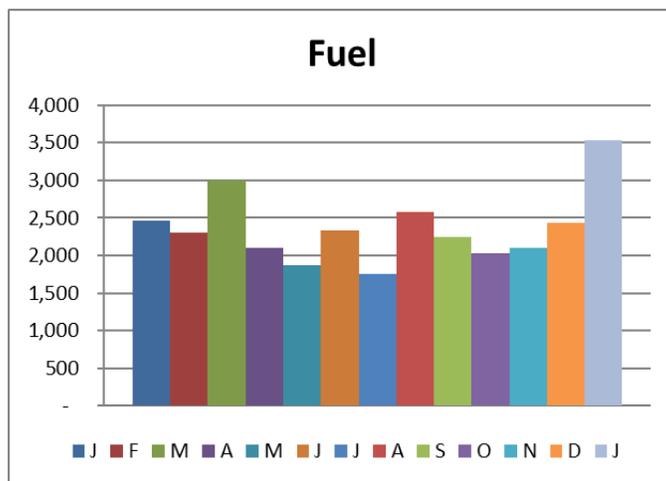
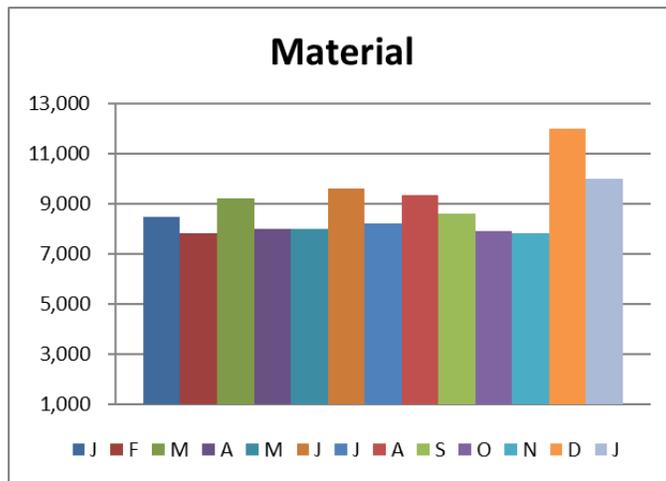
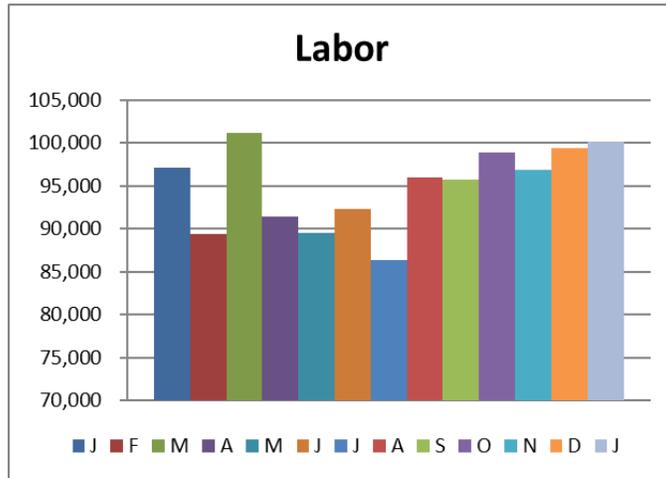
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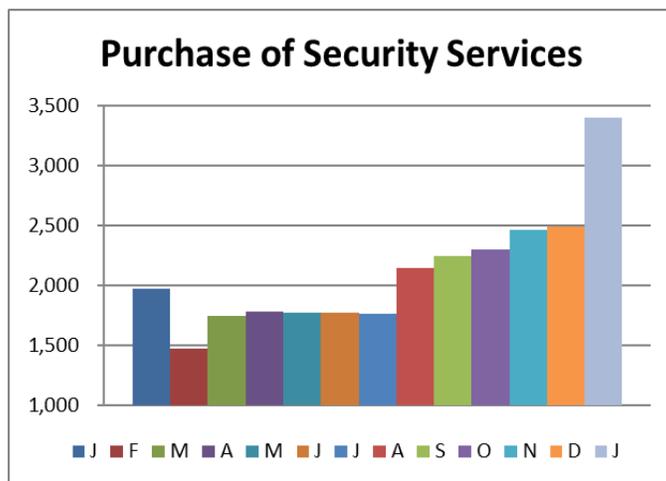
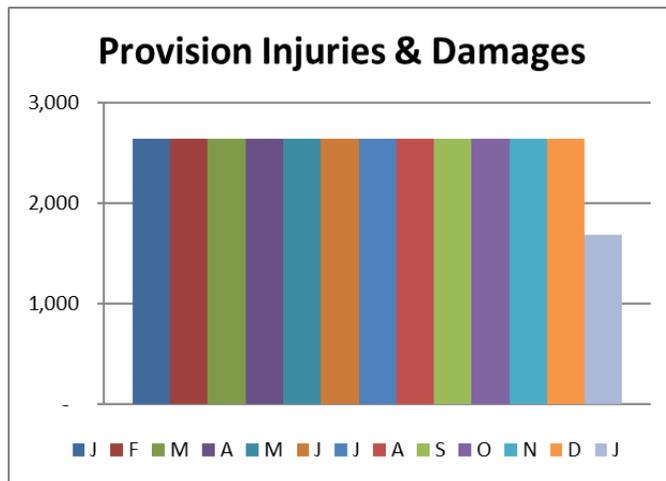
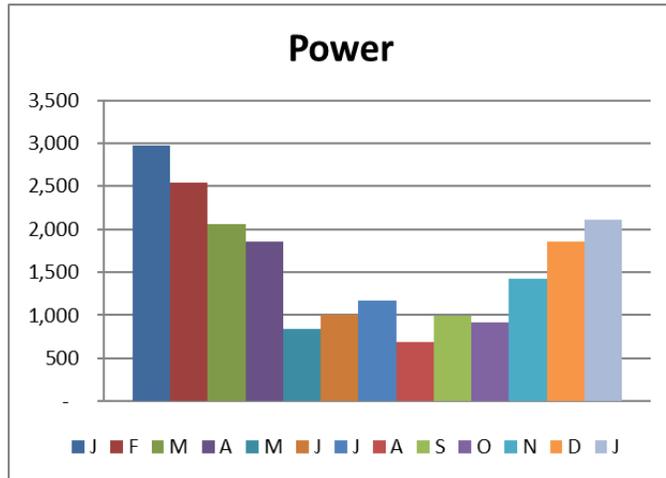
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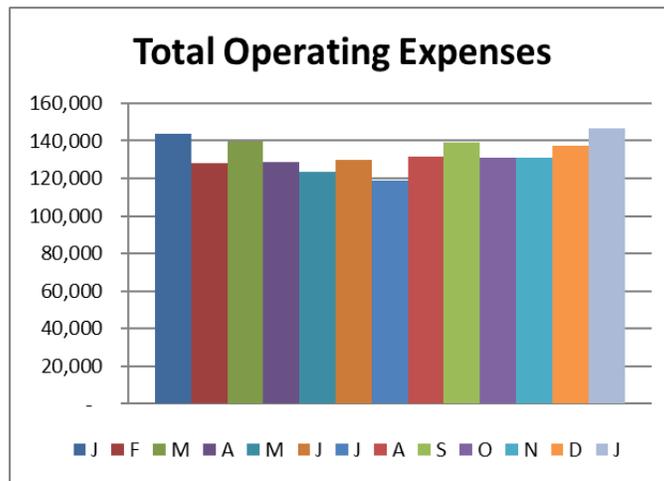
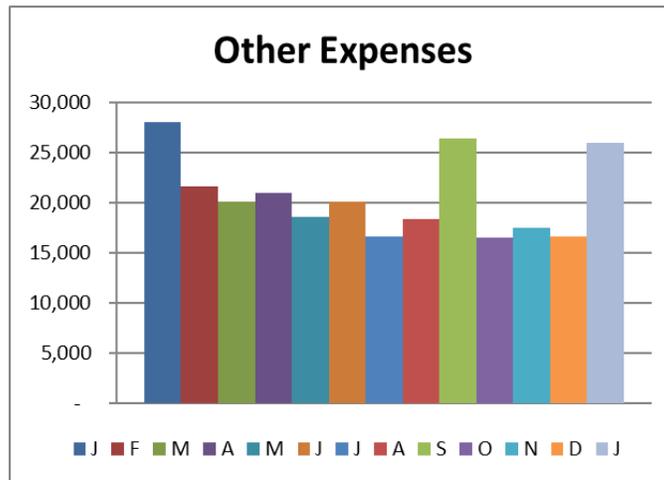
## Expenses



Expenses Cont'd



Expenses Cont'd



<b>Cash</b>	<b>Jan-22</b>	<b>Feb-22</b>	<b>Mar-22</b>	<b>Apr-22</b>	<b>May-22</b>	<b>Jun-22</b>	<b>Jul-22</b>	<b>Aug-22</b>	<b>Sep-22</b>	<b>Oct-22</b>	<b>Nov-22</b>	<b>Dec-22</b>	<b>Jan-23</b>
Unrestricted Cash	203	190	216	220	189	190	181	146	179	186	186	134	119
Damage Reserve	66	72	71	68	74	74	73	73	73	79	79	78	78
Funds Owed by RTA	449	353	290	288	317	301	316	333	342	336	358	383	398
Trust Portfolio Assets	422	446	854	714	728	572	587	609	680	692	689	524	519

<b>Revenue</b>	<b>Jan-22</b>	<b>Feb-22</b>	<b>Mar-22</b>	<b>Apr-22</b>	<b>May-22</b>	<b>Jun-22</b>	<b>Jul-22</b>	<b>Aug-22</b>	<b>Sep-22</b>	<b>Oct-22</b>	<b>Nov-22</b>	<b>Dec-22</b>	<b>Jan-23</b>
Fare & Pass Revenue	17,751	19,132	24,407	23,282	24,898	26,212	25,783	27,066	27,555	28,731	25,695	20,379	24,665
Reduced Fare Subsidy	1,217	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	2,187	2,171	2,786	2,928	2,833	3,209	2,747	2,294	2,493	2,635	2,838	4,266	2,793
Investment Income	28	30	46	71	106	146	254	325	359	450	529	1,346	633
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	2,000	3,000	-	-
Other Revenue	2,008	2,035	2,063	2,770	2,137	2,111	2,494	2,406	2,729	2,792	2,468	2,155	1,768
Total System Generated Revenue	23,191	24,585	30,519	30,268	31,191	32,895	32,494	33,308	34,354	37,826	35,746	29,363	31,076
Total Public Funding	120,421	103,238	109,338	98,477	91,979	96,809	86,068	98,476	104,453	93,360	95,090	108,099	115,664

<b>Expenses</b>	<b>Jan-22</b>	<b>Feb-22</b>	<b>Mar-22</b>	<b>Apr-22</b>	<b>May-22</b>	<b>Jun-22</b>	<b>Jul-22</b>	<b>Aug-22</b>	<b>Sep-22</b>	<b>Oct-22</b>	<b>Nov-22</b>	<b>Dec-22</b>	<b>Jan-23</b>
Labor	97,105	89,423	101,121	91,454	89,550	92,316	86,393	96,015	95,722	98,929	96,881	99,360	100,139
Material	8,491	7,829	9,227	8,013	7,991	9,610	8,197	9,369	8,604	7,906	7,805	12,009	9,990
Fuel	2,467	2,298	2,991	2,097	1,867	2,334	1,760	2,579	2,248	2,024	2,097	2,439	3,530
Power	2,975	2,537	2,053	1,851	840	1,000	1,171	691	998	919	1,428	1,861	2,104
Provision Injuries & Damages	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	1,683
Purchase of Security Services	1,974	1,478	1,747	1,782	1,771	1,775	1,767	2,150	2,243	2,300	2,464	2,493	3,400
Other Expenses	27,962	21,619	20,077	20,907	18,511	20,029	16,634	18,341	26,351	16,468	17,521	16,660	25,893
Total Operating Expenses	143,613	127,823	139,857	128,745	123,170	129,704	118,562	131,785	138,807	131,186	130,836	137,462	146,740