



To: Chicago Transit Authority Board  
From: Jeremy Fine, Chief Financial Officer  
Re: Financial Results for March 2021  
Date: May 12, 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 \$10.4 million favorable to budget for March primarily due to higher than expected fare and pass revenue and lower than anticipated other expenses. Results are favorable to budget for year-to-date by \$14.3 million primarily due to higher than expected fare and pass revenue and lower than anticipated labor and other expenses. Public funding for 2021 collected year-to-date totaled \$139.8 million, which is \$21.5 million favorable to budget. CTA has drawn down CARES funding of \$156.4 million related to public funding shortfalls and \$463.7 million related to operating losses for a grand total CARES draw of \$620.1 million, which is approximately 75.8% of CTA's CARES allocation.

Ridership for the month was 13.6 million, which was 1.1 million higher than budget and 9.5 million lower than March 2020. Ridership year-to-date was 1.5 million higher than budget and 60.3 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 March 2021 compared to March 2020.

	<b>March 2021</b>	<b>March 2020</b>	<b>Increase (Decrease)</b>
Unrestricted Cash	\$ 182,307	\$ 188,699	\$ (6,392)
Damage Reserve	37,808	49,005	\$ (11,197)
Funds Owed by RTA	284,090	267,318	\$ 16,772
Trust Portfolio Assets	578,106	385,193	\$ 192,913
Total Cash and Receivables	<u>\$ 1,082,311</u>	<u>\$ 890,215</u>	<u>\$ 192,096</u>

CTA's total cash/receivables balance was equal to \$1.1 billion. Unrestricted cash was \$6.4 million lower than the prior year due to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$11.2 million lower than last year due to settlement payments. Funds owed by the RTA were approximately \$284.1 million which was \$16.8 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Fare & Pass Revenue	\$ 16,671	\$ 4,509	\$ (12,564)	\$ 42,947	\$ 8,102	\$ (76,694)

- Fare and pass revenue for March was \$4.5 million favorable to budget due to higher than projected ridership during the month. It was \$12.6 million unfavorable to prior year due to sharply lower ridership as a result of the current COVID-19 pandemic. The average fare for the month was \$1.23 per ride and was \$0.25 higher than budget and \$0.04 lower than the prior year.
- Year-to-date fare and pass revenue was \$8.1 million favorable to budget due to higher than projected ridership. It was \$76.7 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 \$1.23 per ride and was \$0.19 higher than budget and \$0.03 lower than the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Reduced Fare Subsidy	\$ 1,217	\$ -	\$ -	\$ 3,652	\$ -	\$ -

- 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Advertising, Charter, Concession	\$ 1,551	\$ (534)	\$ (2,067)	\$ 5,086	\$ (1,131)	\$ (5,727)

- Advertising, Charter and Concessions Revenue was \$0.5 million unfavorable to budget for the month and \$1.1 million unfavorable year-to-date due to lower than anticipated vehicle and platform advertising revenue. This revenue category was \$5.7 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Investment income	\$ 25	\$ (58)	\$ (169)	\$ 79	\$ (171)	\$ (639)

- Investment income was \$0.1 million lower than budget for the month and \$0.6 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Other Revenue	\$ 2,289	\$ (1,532)	\$ (1,227)	\$ 6,648	\$ (4,807)	\$ (3,644)

- Other Revenue was \$1.5 million and \$4.8 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 \$1.2 million and \$3.6 million unfavorable to March 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Total System Generated Revenue	\$ 21,752	\$ 2,385	\$ (16,027)	\$ 58,412	\$ 1,993	\$ (86,703)

- Total System-Generated Revenue was higher than budget for the month and year-to-date by \$2.4 million and \$2.0 million, respectively, due to higher than expected fare and pass revenue, which was partially offset by monthly ride-hailing fee revenue anticipated in the budget that CTA will no longer be receiving from the City of Chicago in 2021. It was \$16.0 million and \$86.7 million lower than March 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Labor	\$ 96,475	\$ 1,517	\$ 1,810	\$ 286,765	\$ 3,926	\$ 2,715

- Labor expense was \$1.5 million favorable to budget for the month and \$3.9 million favorable for the year-to-date due to lower than anticipated labor costs. Labor expense was \$1.8 million favorable to March 2020 and \$2.7 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Material	\$ 7,443	\$ (84)	\$ (377)	\$ 22,816	\$ (315)	\$ (2,276)

- Material expense was \$0.1 million unfavorable to budget for the month and \$0.3 million unfavorable year-to-date due to vehicle parts usage. Material expense was \$0.4 million and \$2.3 million unfavorable to March 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Fuel	\$ 2,767	\$ 382	\$ 436	\$ 8,207	\$ 1,858	\$ 2,191

- Fuel for Revenue Equipment expense was \$0.4 million favorable to budget in March 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Power	\$ 1,955	\$ 648	\$ 156	\$ 7,090	\$ 1,294	\$ 582

- The Electric Power for Revenue Equipment expense was \$0.6 million favorable to budget for the month and \$1.3 million favorable year-to-date due to lower than anticipated usage. Expenses were \$0.6 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Provision for Injuries & Damages	\$ 2,640	\$ -	\$ (807)	\$ 7,920	\$ -	\$ (2,420)

- 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 \$2.4 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Purchase of Security Services	\$ 1,378	\$ 303	\$ 300	\$ 4,187	\$ 857	\$ 779

- 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 \$0.9 million favorable to budget and \$0.8 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Other Expenses	\$ 21,021	\$ 5,251	\$ 638	\$ 69,250	\$ 4,658	\$ (4,697)

- Other expenses were \$5.3 million favorable to budget for the month and \$4.7 million favorable to budget for the year-to-date due to the timing of contractual services invoices. Other expenses year-to-date were \$4.7 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Total Operating Expenses	\$ 133,679	\$ 8,017	\$ 2,155	\$ 406,235	\$ 12,277	\$ (3,126)

- Operating Expenses were \$8.0 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 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
	Mar-21	Budget Mar-21	Prior Year Mar21 vs. Mar20	2021	Budget 2021	Prior Year 2020
Recovery Ratio	56.26%	3.24		55.36%	1.78	

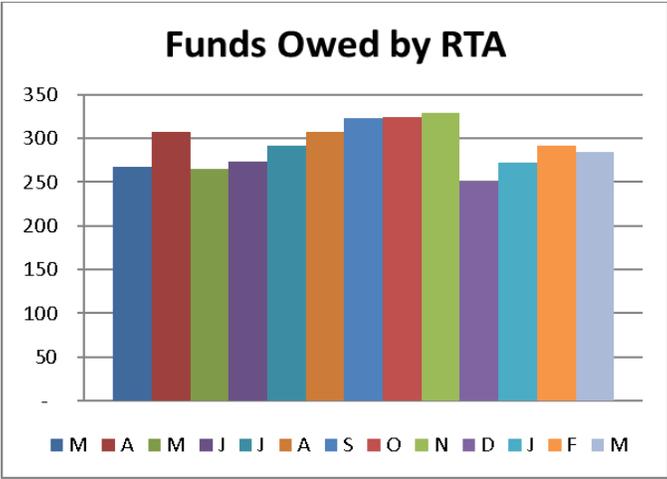
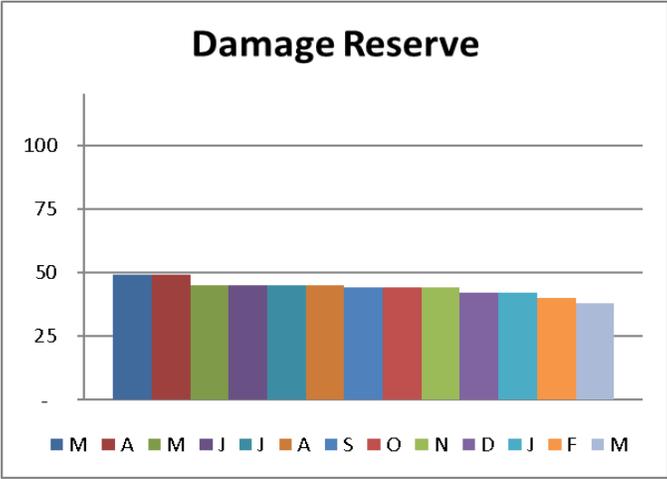
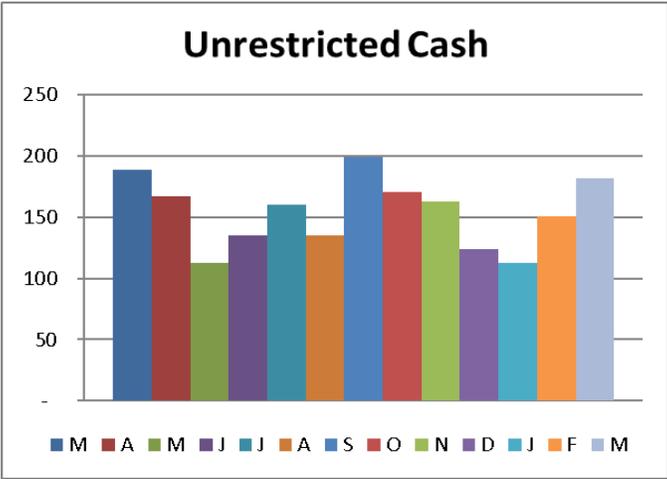
- Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues, was 56.26% for the month. This was favorable to budget by 3.24 percentage points for the month. Year-to-date, the recovery ratio was 55.36%, which was favorable to budget by 1.78 percentage points. The RTA is including the Federal stimulus funds under the CARES Act as replacement fare revenues for recovery ratio purposes.

## VI. Ridership

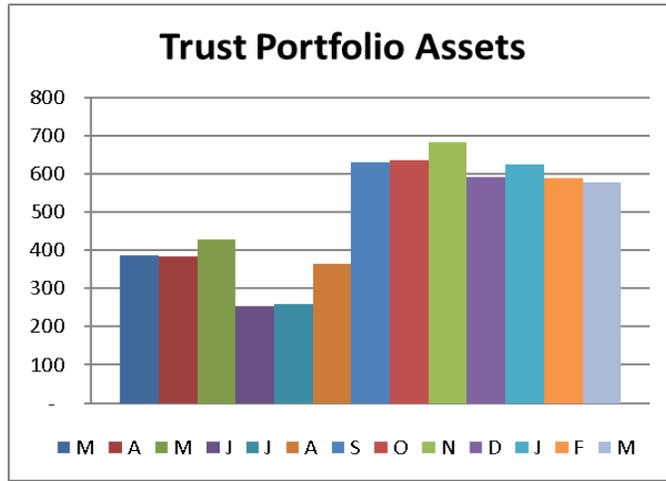
Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Mar-21	Mar-21	Mar21 vs. Mar20	2021	2021	2020
Bus	8,868	300	(4,473)	22,831	(4)	(29,022)
Rail	3,898	593	(4,126)	9,879	1,020	(25,565)
Rail to Rail Transfers	829	247	(941)	2,129	533	(5,701)
<b>Total</b>	<b>13,595</b>	<b>1,140</b>	<b>(9,540)</b>	<b>34,840</b>	<b>1,549</b>	<b>(60,288)</b>

- Ridership for the month of March was 13.6 million and was 1.1 million higher than budget and 9.5 million lower than prior year.
- Calendar adjusted ridership was down 42.0% from prior year due to the COVID-19 pandemic.
- Ridership for the year-to-date was 34.8 million and was 1.5 million higher than budget and 60.3 million lower than the prior year-to-date.
- Calendar adjusted ridership was down 62.8% from the prior year-to-date.
- More details on ridership can be found in the March Ridership Report.

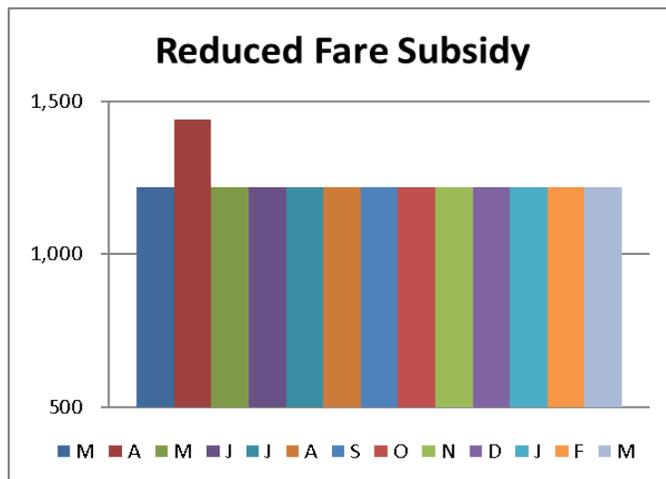
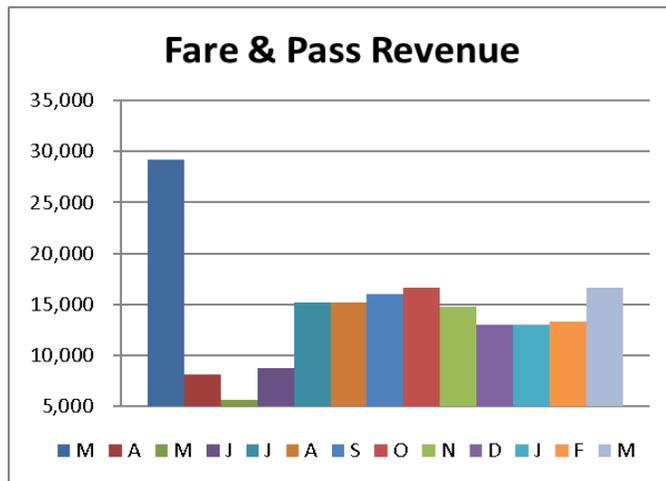
Cash & Liquidity



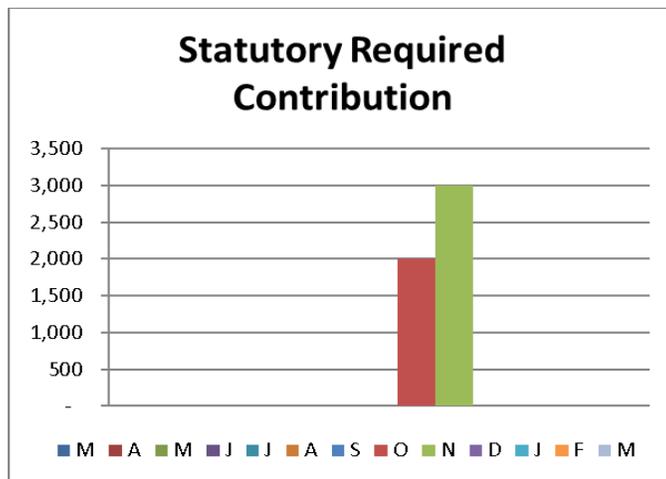
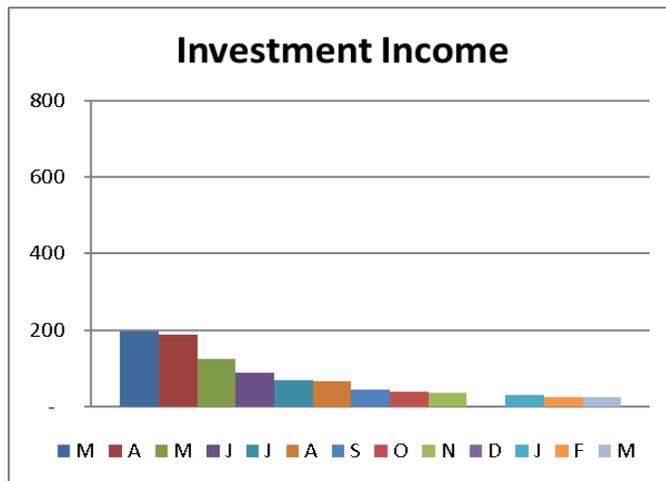
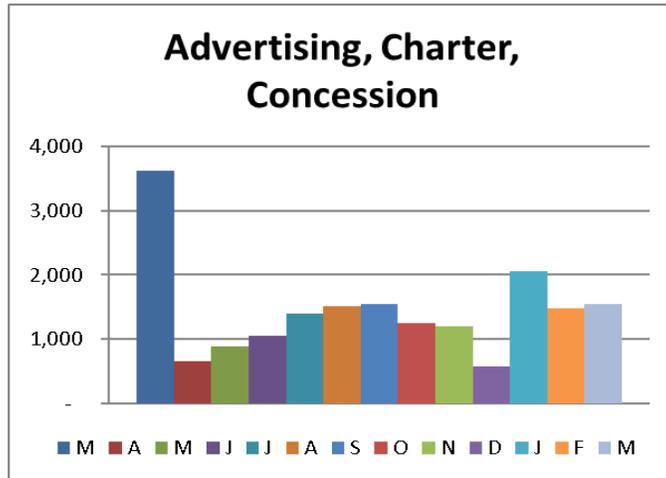
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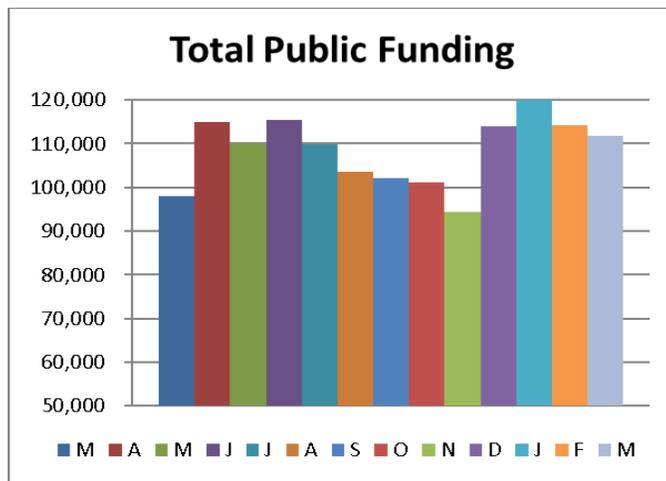
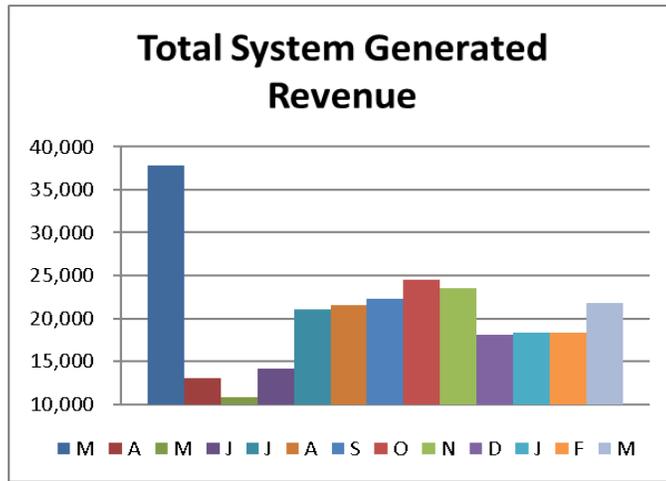
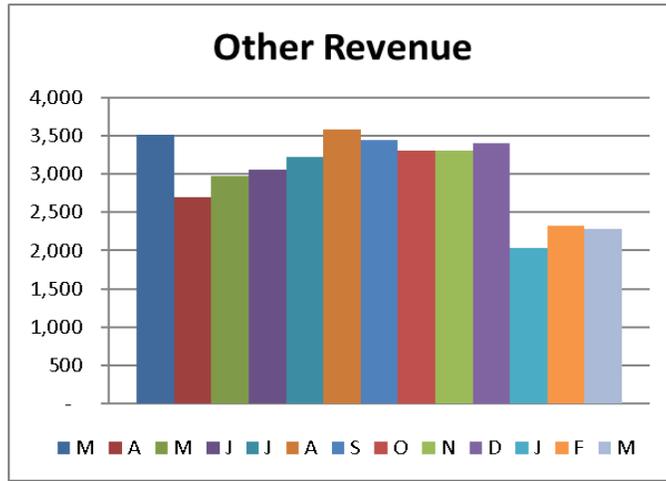
Revenue



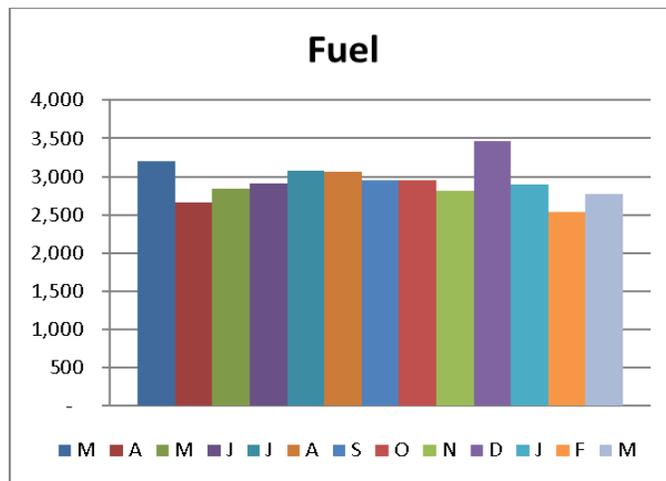
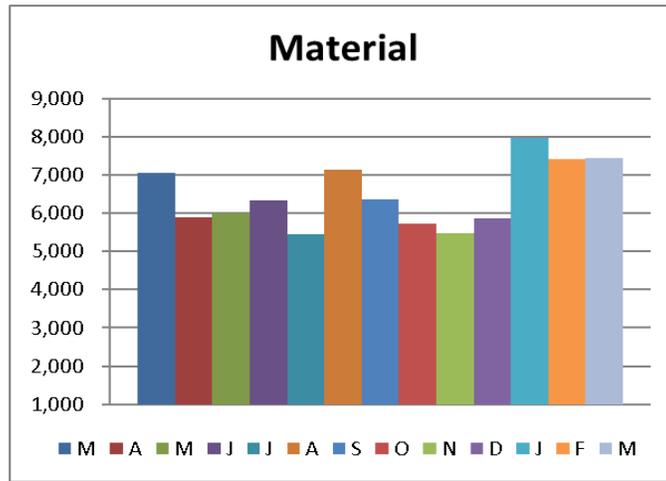
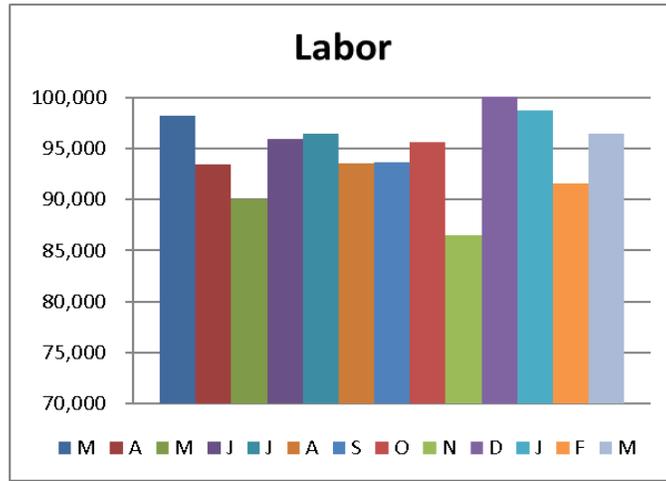
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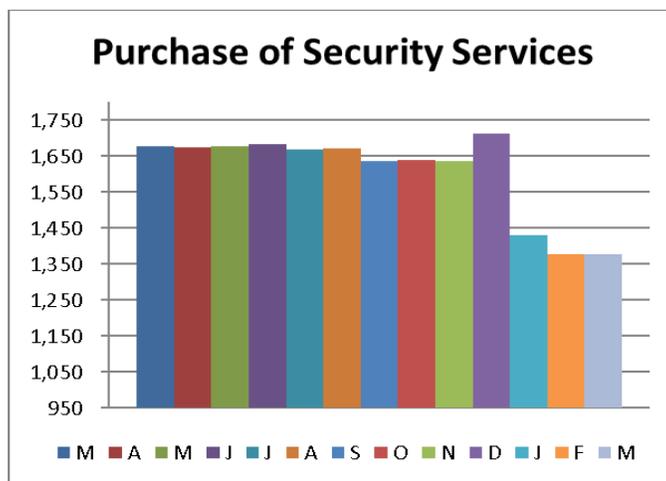
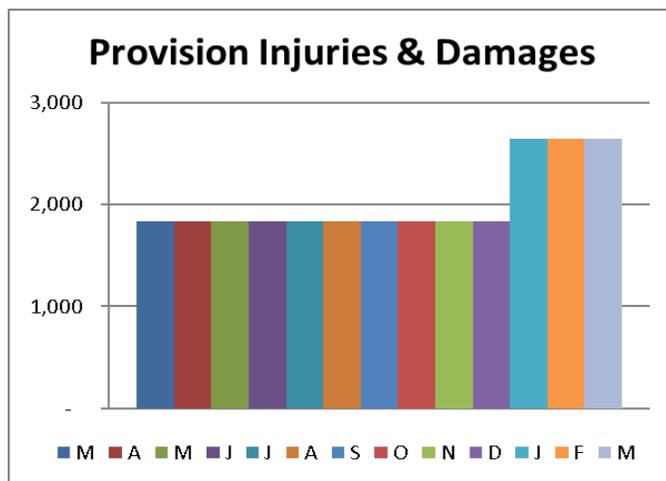
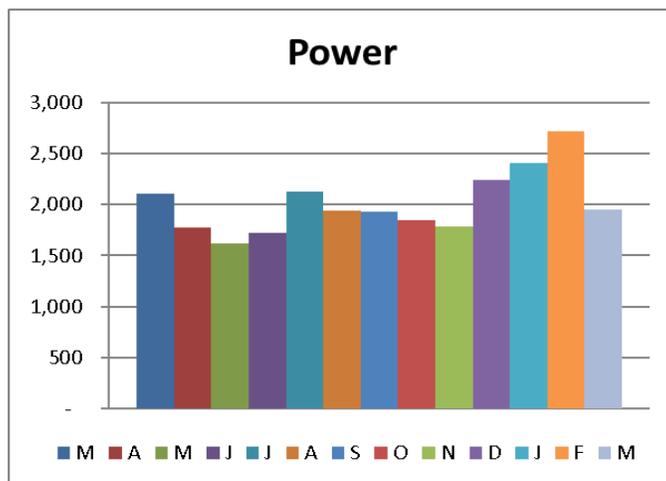
Revenue Cont'd



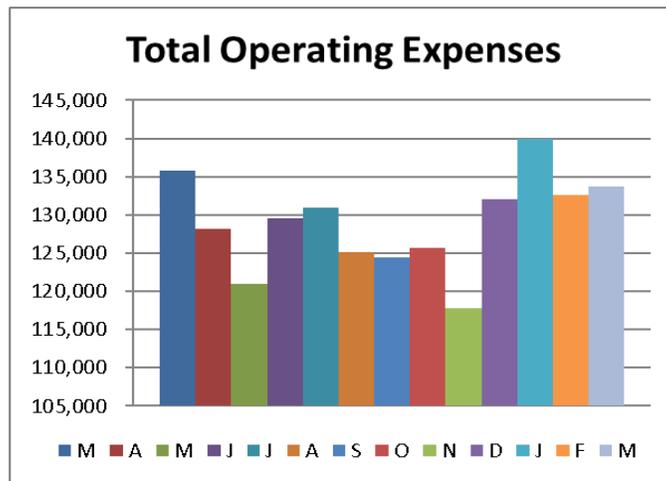
## Expenses



Expenses Cont'd



## Expenses Cont'd



Cash	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Unrestricted Cash	189	167	113	135	160	135	199	171	163	124	113	151	182
Damage Reserve	49	49	45	45	45	45	44	44	44	42	42	40	38
Funds Owed by RTA	267	307	265	274	292	307	323	325	329	251	272	292	284
Trust Portfolio Assets	385	384	429	253	260	363	630	634	683	591	623	587	578

Revenue	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Fare & Pass Revenue	29,234	8,077	5,606	8,711	15,138	15,158	16,012	16,672	14,769	13,046	13,013	13,263	16,671
Reduced Fare Subsidy	1,217	1,440	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	3,618	659	888	1,054	1,396	1,515	1,538	1,248	1,208	579	2,059	1,476	1,551
Investment Income	195	188	125	89	68	66	45	37	35	(149)	30	24	25
Statutory Required Contribution	-	-	-	-	-	-	-	2,000	3,000	-	-	-	-
Other Revenue	3,515	2,693	2,969	3,058	3,222	3,579	3,450	3,302	3,313	3,408	2,039	2,320	2,289
Total System Generated Revenue	37,779	13,057	10,805	14,129	21,040	21,535	22,263	24,476	23,542	18,101	18,359	18,301	21,752
Total Public Funding	98,056	115,045	110,207	115,392	109,955	103,562	102,164	101,227	94,277	113,938	121,550	114,347	111,927

Expenses	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Labor	98,284	93,440	89,995	95,900	96,434	93,574	93,674	95,596	86,474	100,786	98,703	91,587	96,475
Material	7,066	5,895	5,993	6,343	5,460	7,142	6,364	5,731	5,462	5,870	7,956	7,417	7,443
Fuel	3,203	2,661	2,843	2,907	3,078	3,062	2,949	2,948	2,818	3,460	2,901	2,539	2,767
Power	2,111	1,774	1,622	1,721	2,125	1,937	1,932	1,843	1,787	2,241	2,412	2,723	1,955
Provision Injuries & Damages	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	1,833	2,640	2,640	2,640
Purchase of Security Services	1,678	1,675	1,678	1,685	1,670	1,673	1,638	1,640	1,637	1,713	1,431	1,378	1,378
Other Expenses	21,659	20,823	17,047	19,131	20,395	15,876	16,037	16,111	17,808	16,135	23,866	24,362	21,021
Total Operating Expenses	135,835	128,102	121,012	129,521	130,995	125,097	124,428	125,703	117,819	132,040	139,909	132,648	133,679