



To: Chicago Transit Authority Board
 From: Tom McKone, Chief Financial Officer
 Re: Financial Results for December 2025
 Date: February 11, 2026

I. Summary

CTA’s financial results for December show an unfavorable variance of \$31.6 million, mainly due to year-end adjustments for labor expenses and an additional year-end payment to the injuries and damages reserve that was included in the 2025 forecast. For the year-end results, the CTA is \$63.9 million favorable to budget, primarily driven by higher-than-budgeted investment income and lower-than-anticipated material, traction power, and contractual services expenses. Public funding collected for 2025 year-to-date totaled \$1,110.9 million, which is \$126.1 million favorable to budget.

Ridership for the month was 23.1 million, which was 5.9 million lower than budget and 0.2 million higher than December 2024. Ridership year-to-date was 44.7 million lower than the budget but 10.0 million higher than the prior year.

II. Revenue

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Fare & Pass Revenue	\$ 27,003	\$ (1,759)	\$ 1,146	\$ 356,428	\$ (12,661)	\$ 5,329

In December, fare and pass revenue was \$1.8 million unfavorable to budget, primarily due to lower-than-expected bus cash fare, full fare bus and rail revenue, and lower 7-day and 1-day pass revenue. Compared to prior year, this reflects a revenue increase of \$1.1 million, primarily attributed to higher 30-day and 1-day pass revenue in addition to higher U-pass revenue. The average fare for the month was \$1.17 per ride, which was \$0.18 higher than the budgeted rate and \$0.04 higher than the average fare in the prior year.

Year-end fare and pass revenue was \$12.7 million lower than budget, due to lower-than-expected bus cash fare, full fare bus and rail revenue, and 7-day pass revenue. Compared to the previous year, fare and pass revenue increased \$5.3 million, largely attributable to higher pass revenue from 30-day and 1-day pass revenues, and higher full fare farecard for both bus and rail. The average fare for the year is \$1.12 per ride, which is \$0.10 higher than the budgeted rate and \$0.02 lower than last year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Reduced Fare Subsidy	\$ 1,598	\$ 145	\$ 145	\$ 18,304	\$ 872	\$ 1,664

The Reduced Fare Subsidy was \$0.1 million and \$0.9 million favorable to budget for the month and year-to-date, respectively. It was \$0.1 million favorable over December 2024 and \$1.7 million higher for the year-to-date, due to a higher reimbursement from the State in 2025 compared to 2024.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Advertising, Charter, Concession	\$ 3,508	\$ 419	\$ 870	\$ 30,475	\$ (2,796)	\$ (1,046)

Advertising, Charter, and Concessions Revenue was \$0.4 million favorable to budget for the month due to higher vehicle and platform advertising revenue. It was \$2.8 million unfavorable to budget for the year-to-date primarily due to lower-than-expected vehicle and platform advertising revenue. For the year, revenue was \$1.0 million lower than the prior year, driven by additional revenue from bus charter services provided during the 2024 Democratic National Convention.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Investment income	\$ 275	\$ (142)	\$ (1,864)	\$ 27,406	\$ 22,406	\$ 14,584

Investment income was \$0.1 million unfavorable to budget for the month and \$22.4 million favorable to budget for the year-to-date. In total, it was \$14.6 million higher than prior year due to an increase in the cash and investments balance and favorable fluctuations in the short-term market rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Other Revenue	\$ 2,492	\$ 313	\$ 637	\$ 27,720	\$ 1,560	\$ 4,141

Other Revenue was \$0.3 million favorable to budget for the month and \$1.6 million favorable year due to higher-than-expected non-capital grant revenue and parking revenue. Compared to prior year, Other Revenue was \$0.6 million higher for the month and \$4.1 million higher year-to-date, primarily due to increased non-capital grant revenue. The increase in non-capital grant revenue was balanced by a corresponding increase in non-capital grant expenses.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Total System Generated Revenue	\$ 34,875	\$ (1,024)	\$ 935	\$ 465,333	\$ 9,381	\$ 24,672

Total System-Generated Revenue was \$1.0 million unfavorable to budget for the month, primarily due to lower-than-anticipated fare revenue. For the year, total system revenue was \$9.4 million favorable to budget, due to higher-than-expected investment income. Compared to 2024, revenue increased by \$0.9 million for the month due to higher pass revenue. It was \$24.7 million higher for the year, primarily due to increases in investment income and pass revenue.

III. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Labor	\$ 144,502	\$ (19,953)	\$ (4,819)	\$ 1,478,398	\$ (30,169)	\$ (128,357)

Labor expense was \$20.0 million unfavorable to budget for the month and \$30.2 million unfavorable for the year due to higher than anticipated fringe benefit expenses. Labor expense was \$4.8 million higher than December 2024, and total labor expense was \$128.4 million higher than prior year, primarily due to contractual wage rate increases, higher fringe benefit rate and increased staffing necessary for service delivery, resulting in an 8% increase in total Transit Operation (STO) hours worked over the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Material	\$ 12,115	\$ 258	\$ (2,297)	\$ 136,931	\$ 16,420	\$ (7,734)

Material expense was \$0.3 million favorable to budget for the month and \$16.4 million favorable to budget for the year due to lower than anticipated vehicle part purchases, supported by additional new vehicles put in service in 2025. Material expense was \$2.3 million higher than December 2024 and \$7.7 million higher than 2024 for the year-to-date due to increased material costs.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Dec-25	Budget Dec-25	Prior Year Dec25 vs. Dec24	2025	Budget 2025	Prior Year 2024
Fuel	\$ 4,126	\$ (40)	\$ (390)	\$ 44,174	\$ 4,302	\$ (2,695)

Fuel for Revenue Equipment expense was slightly unfavorable to budget in December, driven by higher usage and \$4.3 million favorable year-end driven by favorable fuel prices. Compared to prior year, fuel is \$0.4 million higher for December and \$2.7 million higher for the year driven by

higher usage related to additional service, with fuel consumption up 1.7 million gallons over prior year.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-25	Dec-25	Dec25 vs. Dec24	2025	2025	2024
Power	\$ 1,460	\$ 4,136	\$ 3,415	\$ 33,063	\$ 23,743	\$ 2,739

Traction Power for Revenue Equipment expense was \$4.1 million favorable to budget for the month due to lower-than-expected ComEd rates in addition to credits from prior months activity. Traction power was \$23.7 million favorable for the year due to lower-than-expected consumption and ComEd rates in addition to credits from prior period activity. Traction power expense was \$3.4 million lower than November 2024 and \$2.7 million lower than last year due to lower ComEd rates.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-25	Dec-25	Dec25 vs. Dec24	2025	2025	2024
Provision for Injuries & Damages	\$ 27,560	\$ (25,705)	\$ (15,906)	\$ 49,822	\$ (27,560)	\$ (19,972)

The Provision for Injuries & Damages expense was \$25.7 million unfavorable to budget for the month and \$27.6 million unfavorable to budget for the year due to additional funding recorded in July and December. This additional funding is consistent with the forecast for the year put out with the budget to help meet the actuarially recommended funding levels for this fund. The expense was \$20.0 million unfavorable to the prior year due to funding requirements and additional funding recorded in July and December 2025.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-25	Dec-25	Dec25 vs. Dec24	2025	2025	2024
Purchase of Security Services	\$ 9,016	\$ (1,992)	\$ 1,434	\$ 86,575	\$ (1,427)	\$ 5,052

Purchase of Security Services was \$2.0 million unfavorable to budget for the month driven by an increase in security guard expense. It was \$1.4 million unfavorable for the year mainly due to a higher than budgeted increase in K-9 security deployment. Compared to 2024, expenses were \$1.4 million lower for the month and \$5.1 million lower for the year due to additional private security deployments on the system in 2024.

Category	Current Month			Full Year		
	Actual	Variance to Budget	Variance to Prior Year	Actual	Variance to Budget	Variance to Prior Year
	Dec-25	Dec-25	Dec25 vs. Dec24	2025	2025	2024
Other Expenses	\$ 18,438	\$ 12,692	\$ 8,055	\$ 273,028	\$ 69,222	\$ (12,482)

Other expenses were \$12.7 million favorable to budget for the month and \$69.2 million favorable year, primarily due to lower-than-expected contractual services invoices. Other expenses were \$12.5 million higher than prior year, in total, driven by increased costs for contractual services. The other expense category includes the pension obligation bond expense, utilities, maintenance contracts, services, and other expenses.

Category	Current Month			Full Year		
	Actual Dec-25	Variance to Budget Dec-25	Variance to Prior Year Dec25 vs. Dec24	Actual 2025	Variance to Budget 2025	Variance to Prior Year 2024
Total Operating Expenses	\$ 217,218	\$ (30,605)	\$ (10,509)	\$ 2,101,992	\$ 54,531	\$ (163,450)

Operating Expenses were \$30.6 million unfavorable to budget for the month due to higher labor expense and additional funding recorded for the injuries and damages reserve. For the year, expenses were \$54.5 million favorable, primarily driven by lower-than-expected contractual services invoices in addition to lower material and traction power costs. Compared to the prior year, expenses were \$10.5 million higher for the month and \$163.5 million higher for the year, mainly due to increased labor costs, increased injuries and damages reserve funding, and higher material and other expenses, as detailed above.

IV. Recovery Ratio

Category	Current Month			Full Year		
	Actual Dec-25	Variance to Budget Dec-25	Variance to Prior Year Dec25 vs. Dec24	Actual 2025	Variance to Budget 2025	Variance to Prior Year 2024
Recovery Ratio	26.71%	(18.54)		47.07%	(8.40)	

Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues against overall expenses, was 26.71% for the month. This was unfavorable to budget by 18.54 percentage points for the month because public funding revenue has been performing better than anticipated. Year-to-date, the recovery ratio was 47.07%, which was unfavorable to budget by 8.40 percentage points and favorable to the RTA required recovery ratio of 42.00% by 5.07 percentage points. In 2021, the Illinois legislature granted temporary recovery ratio relief for fiscal years 2021 - 2023 due to the pandemic, which has been extended through 2026.

V. Ridership

Category	Current Month			Full Year		
	Actual Dec-25	Variance to Budget Dec-25	Variance to Prior Year Dec25 vs. Dec24	Actual 2025	Variance to Budget 2025	Variance to Prior Year 2024
Bus	13,385	(3,941)	(320)	183,958	(27,909)	2,224
Rail	8,267	(1,046)	505	115,403	(4,053)	7,186
Rail to Rail Transfers	1,435	(915)	44	19,800	(12,711)	553
Total	23,087	(5,902)	229	319,161	(44,673)	9,964

- Ridership for December was 23.1 million, 5.9 million lower than budget and 0.2 million higher than prior year. Excluding free rides and transfers, ridership was 2.9 million lower than budget.
- Calendar adjusted ridership was down 1.0% from prior year driven by reduced travel patterns in various Chicago communities.
- Ridership for the year-to-date was 319.2 million, 44.7 million lower than budget but 10.0 million higher than the prior year-to-date. Excluding free rides and transfers, ridership was 16.0 million lower than budget.
- Calendar adjusted ridership was up 3.5% from the prior year.
- More details on ridership can be found in the December Ridership Report.

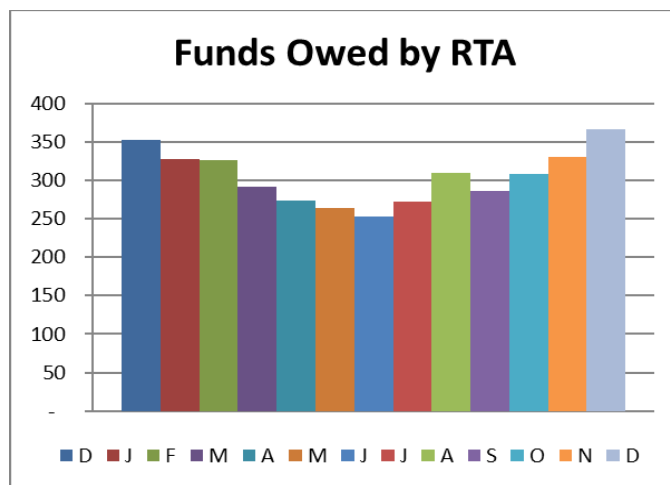
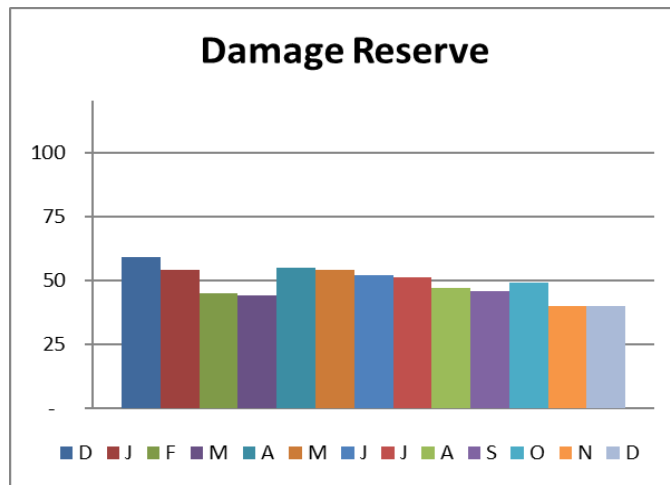
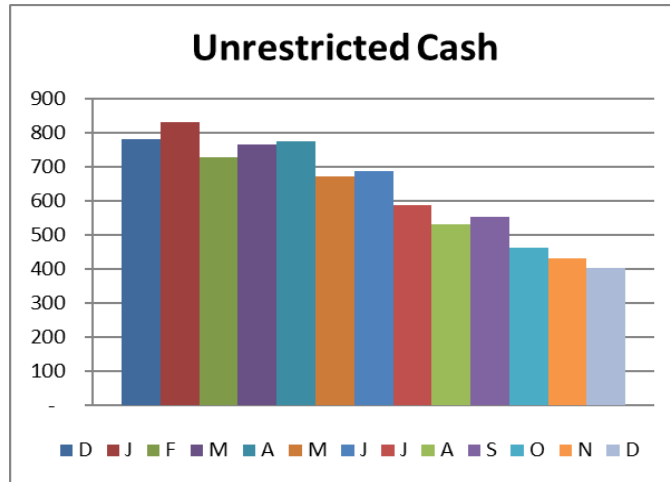
VI. Cash & Liquidity

The chart below highlights CTA's cash position in December 2025 compared to December 2024.

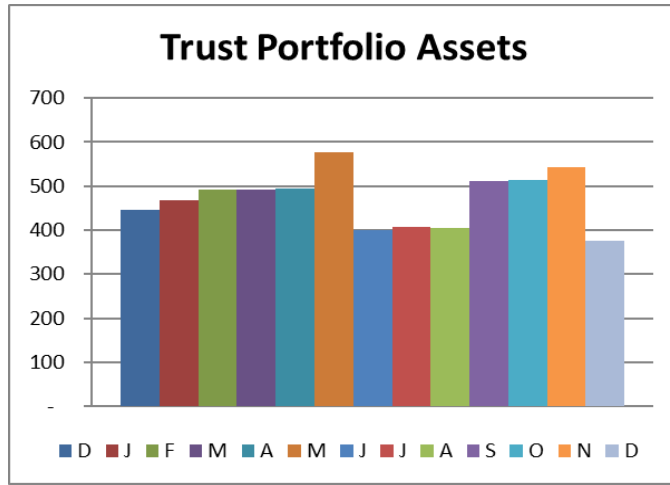
	December 2025	December 2024	Increase (Decrease)
Unrestricted Cash	\$ 401,522	\$ 779,809	\$ (378,287)
Damage Reserve	39,691	58,623	\$ (18,932)
Funds Owed by RTA	365,905	369,665	\$ (3,760)
Trust Portfolio Assets	375,168	446,522	\$ (71,354)
Total Cash and Receivables	\$ 1,182,286	\$ 1,654,619	\$ (472,333)

CTA's total cash/receivables balance was \$1.2 billion. Unrestricted cash was \$378.3 million lower than the prior year due to the receipt of federal relief funding in December 2024 in addition to the timing of cash receipts and invoice payments. The Damage Reserve fund was \$18.9 million lower than last year due to settlement payments in 2025 totaling \$43.6 million offset by deposits into the fund. A total of \$14.7 million was used from the designated reserve, which had a balance of \$267.8 million at the end of December. Funds owed by the RTA were approximately \$365.9 million, which was \$3.8 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 represent bond proceeds held in Trust for funding capital projects and making required debt service payments and therefore go down when payments are made.

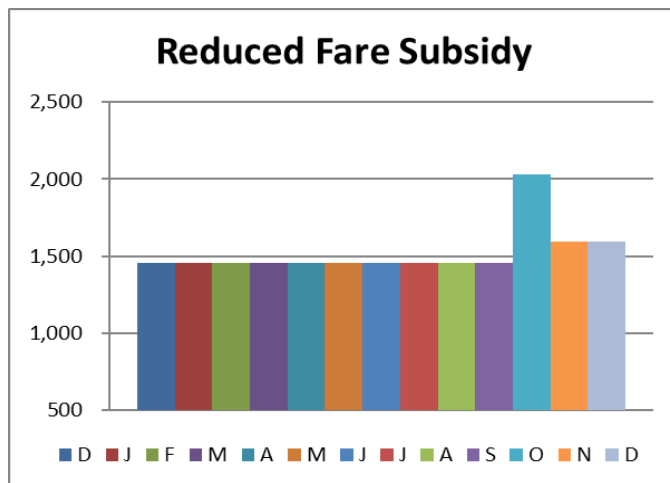
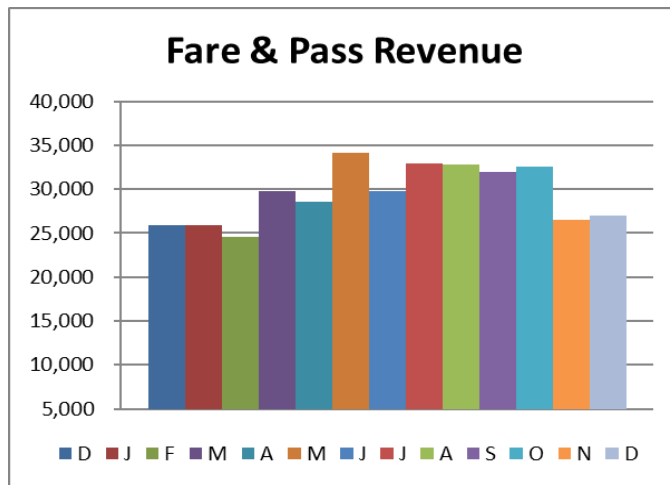
Cash & Liquidity



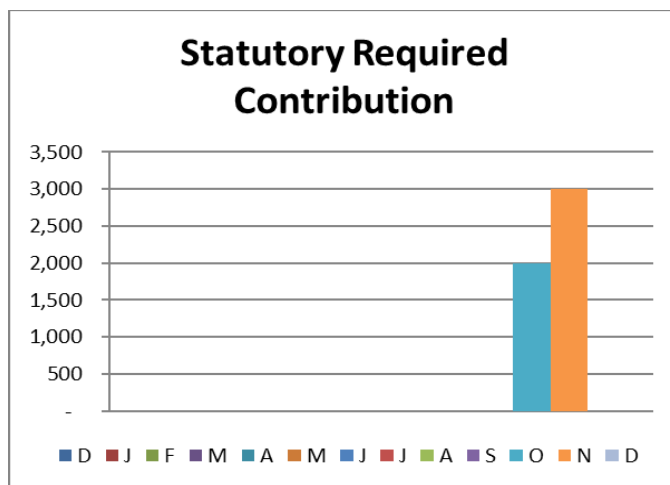
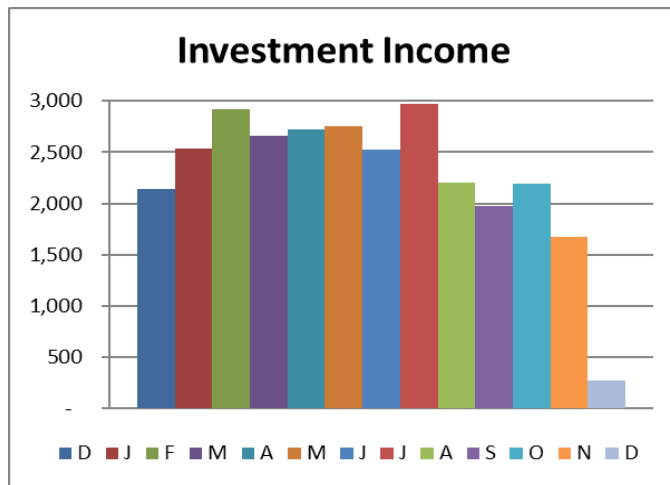
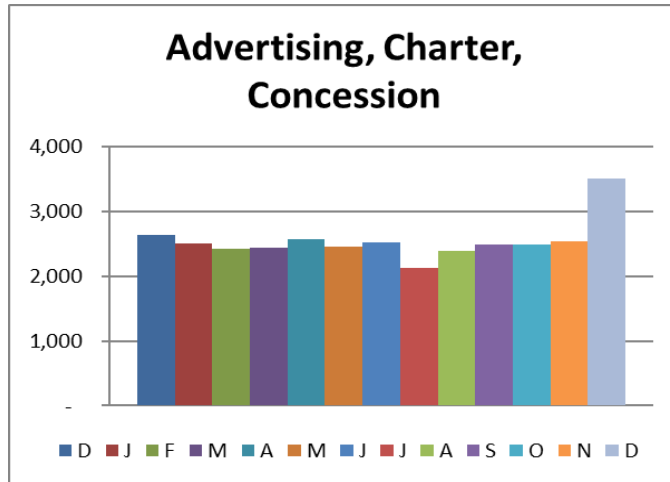
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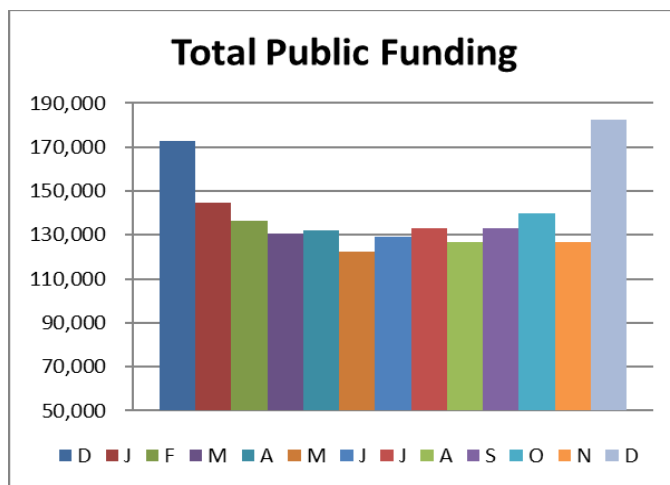
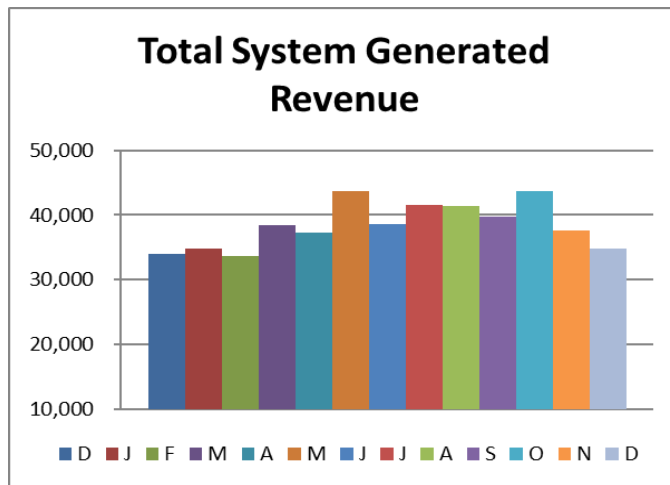
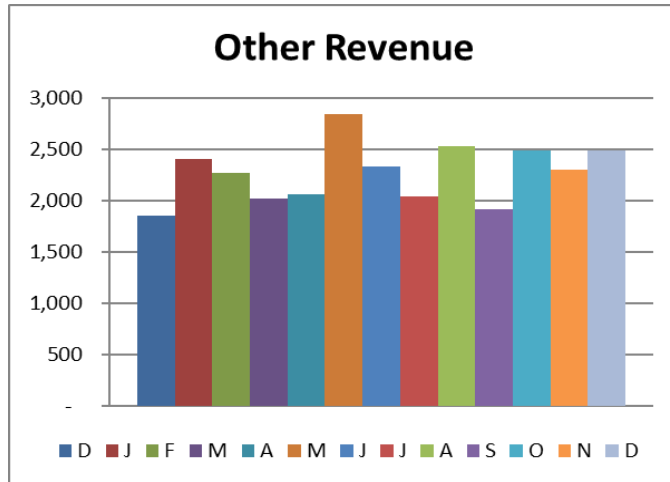
Revenue



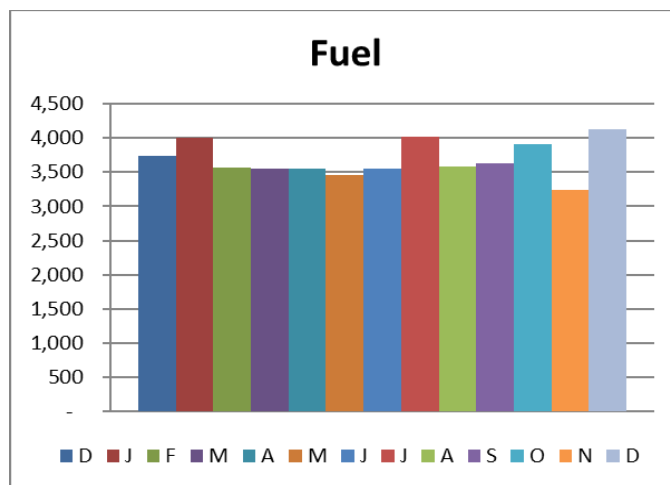
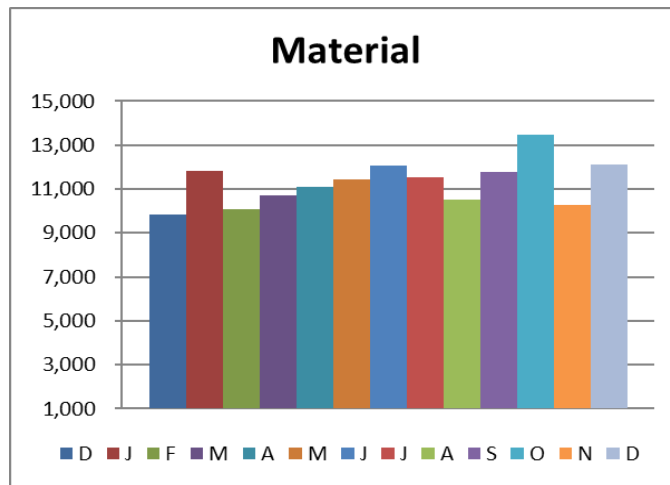
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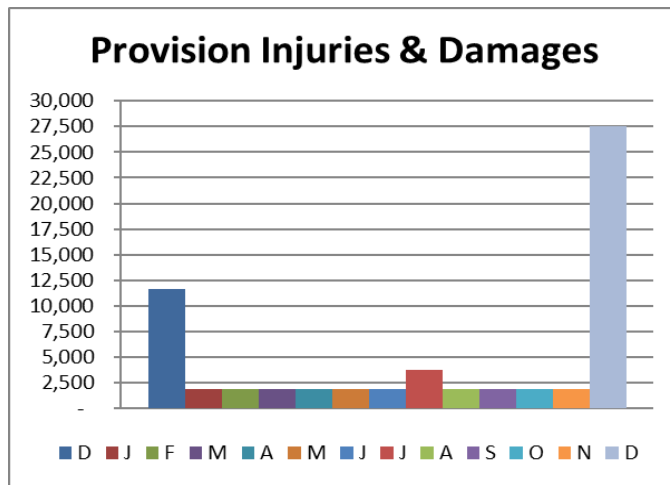
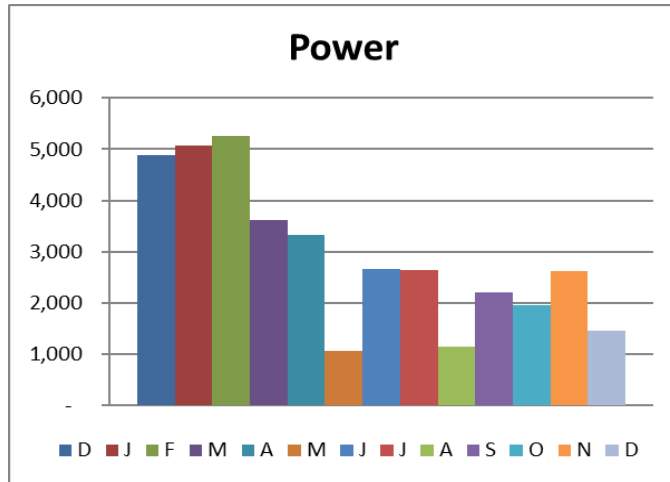
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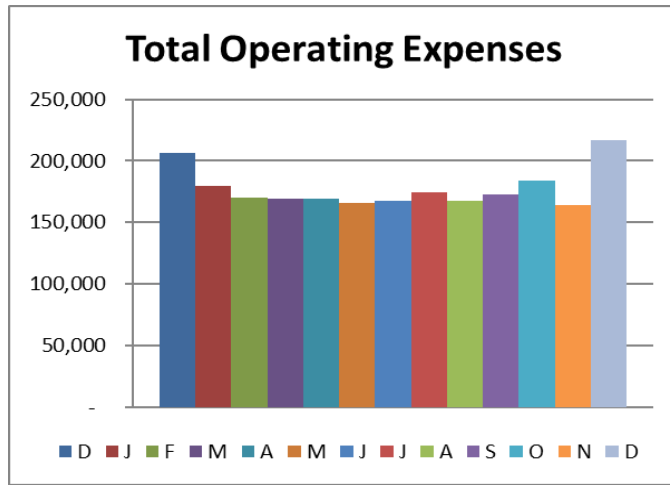
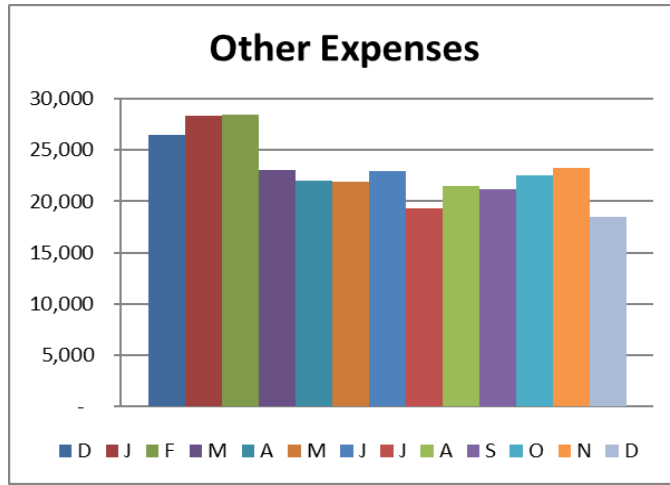
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Unrestricted Cash	780	830	727	765	775	672	687	586	532	553	463	430	402
Damage Reserve	59	54	45	44	55	54	52	51	47	46	49	40	40
Funds Owed by RTA	352	328	326	291	273	264	253	272	309	286	308	330	366
Trust Portfolio Assets	447	468	491	493	495	577	401	407	406	511	513	542	375

Revenue	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Fare & Pass Revenue	25,857	25,884	24,525	29,816	28,537	34,147	29,774	32,880	32,844	31,974	32,514	26,531	27,003
Reduced Fare Subsidy	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453	2,034	1,598	1,598
Advertising, Charter, Concession	2,638	2,508	2,430	2,445	2,566	2,461	2,531	2,134	2,389	2,482	2,487	2,534	3,508
Investment Income	2,138	2,535	2,919	2,662	2,720	2,757	2,523	2,969	2,207	1,973	2,194	1,673	275
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	-	2,000	3,000	-
Other Revenue	1,854	2,410	2,277	2,018	2,059	2,841	2,333	2,039	2,532	1,923	2,487	2,308	2,492
Total System Generated Revenue	33,940	34,790	33,604	38,393	37,334	43,659	38,614	41,474	41,424	39,805	43,716	37,645	34,875
Total Public Funding	172,770	144,756	136,344	130,476	131,937	122,210	129,165	133,126	126,485	133,119	139,851	126,848	182,343

Expenses	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Labor	139,683	120,702	112,825	119,367	121,444	119,140	118,042	126,116	122,508	125,013	132,680	116,060	144,502
Material	9,818	11,829	10,093	10,687	11,118	11,446	12,076	11,551	10,504	11,768	13,464	10,280	12,115
Fuel	3,736	4,009	3,561	3,553	3,549	3,458	3,555	4,014	3,582	3,628	3,902	3,235	4,126
Power	4,875	5,069	5,267	3,613	3,334	1,069	2,673	2,651	1,141	2,212	1,957	2,618	1,460
Provision Injuries & Damages	11,654	1,855	1,855	1,855	1,855	1,855	1,855	3,710	1,855	1,855	1,855	1,855	27,560
Purchase of Security Services	10,450	7,721	7,902	6,728	5,942	7,001	6,666	7,203	6,804	7,274	7,168	7,150	9,016
Other Expenses	26,492	28,362	28,445	23,066	22,028	21,900	22,911	19,354	21,515	21,174	22,541	23,295	18,438
Total Operating Expenses	206,709	179,546	169,948	168,869	169,271	165,869	167,778	174,600	167,909	172,924	183,567	164,493	217,218