



To: Chicago Transit Authority Board
 From: Tom McKone, Chief Financial Officer
 Re: Financial Results for January 2026
 Date: March 11, 2026

I. Summary

CTA’s financial results for January show an unfavorable variance of \$2.4 million, mainly due to higher security and material expenses. Public funding collected for 2026 in January totaled \$87.6 million, which is \$2.5 million unfavorable to budget.

Ridership for the month was 24.4 million, which was 1.4 million higher than budget and 1.5 million higher than January 2025.

II. Revenue

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Fare & Pass Revenue	\$ 25,948	\$ 275	\$ 64	\$ 25,948	\$ 275	\$ 64

In January, fare and pass revenue was \$0.3 million favorable to budget, primarily due to higher-than-expected 30-day pass revenue. Compared to prior year, this reflects a revenue increase of \$0.1 million, primarily attributed to higher 30-day and 1-day pass revenue. The average fare for the month was \$1.06 per ride, which was \$0.05 lower than the budgeted rate and \$0.07 lower than the average fare in the prior year. The lower rate was driven by an increase in free rides due to a reporting change. Normalizing for this change, the rate per rider was \$0.02 above budget and \$0.01 higher than the prior year.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Reduced Fare Subsidy	\$ 1,598	\$ -	\$ 145	\$ 1,598	\$ -	\$ 145

The Reduced Fare Subsidy was on par with budget for the month and \$0.1 million favorable over January 2025 due to a higher reimbursement from the State in 2026 compared to 2025.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Advertising, Charter, Concession	\$ 2,542	\$ (321)	\$ 34	\$ 2,542	\$ (321)	\$ 34

Advertising, Charter, and Concessions Revenue was \$0.3 million unfavorable to budget for the month, primarily due to lower-than-expected vehicle and platform advertising revenue. January 2026 revenue was slightly higher than the prior year due to an increase in vehicle and platform advertising revenue.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Investment income	\$ 1,507	\$ 76	\$ (1,028)	\$ 1,507	\$ 76	\$ (1,028)

Investment income was \$0.1 million favorable to budget for the month. It was \$1.0 million lower than prior year for the month due to a decrease in the cash and investments balance as CTA continues to draw down the designated operating reserve.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Other Revenue	\$ 2,283	\$ 366	\$ (127)	\$ 2,283	\$ 366	\$ (127)

Other Revenue was \$0.4 million favorable to budget for the month primarily due to higher-than-expected miscellaneous and non-capital grant revenues. For the month, Other Revenue was \$0.1 million lower than the prior year due to decreased non-capital grant and rental revenues. Non-capital grant revenue is balanced by a corresponding amount in non-capital grant expenses.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Total System Generated Revenue	\$ 33,878	\$ 396	\$ (912)	\$ 33,878	\$ 396	\$ (912)

Total System-Generated Revenue was \$0.4 million favorable to budget for the month, primarily due to higher-than-anticipated pass revenue. Compared to January 2025, revenue decreased by \$0.9 million for the month due to lower investment income.

III. Expenses

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Labor	\$ 127,976	\$ (846)	\$ (7,274)	\$ 127,976	\$ (846)	\$ (7,274)

Labor expense was \$0.8 million unfavorable to budget for the month, slightly higher due to additional unscheduled service. Labor expense was \$7.3 million higher than January 2025 primarily due to contractual wage rate increases and increased staffing necessary for service delivery, resulting in a 5% increase in total Transit Operation (STO) hours worked over the prior year. In particular, the increase in service with the Frequent Bus Network rolled out gradually in 2025 is now fully in place.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Material	\$ 14,136	\$ (1,222)	\$ (2,307)	\$ 14,136	\$ (1,222)	\$ (2,307)

Material expense was \$1.2 million unfavorable to budget for the month and \$2.3 million higher than the year prior due to higher than anticipated bus vehicle parts consumption.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Fuel	\$ 3,906	\$ 99	\$ 102	\$ 3,906	\$ 99	\$ 102

Fuel for Revenue Equipment expense was \$0.1 million favorable to budget for the month, driven by favorable fuel prices. Compared to prior year, fuel is \$0.1 million lower for January driven by lower fuel prices.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Power	\$ 3,776	\$ 1,331	\$ 1,293	\$ 3,776	\$ 1,331	\$ 1,293

Traction Power for Revenue Equipment expense was \$1.3 million favorable to budget for the month due to lower-than-expected ComEd rates. Traction power expense was \$1.3 million lower than January 2025 due to lower ComEd rates.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Provision for Injuries & Damages	\$ 2,903	\$ -	\$ (1,048)	\$ 2,903	\$ -	\$ (1,048)

The Provision for Injuries & Damages expense was on par with budget for the month and \$1.0 million unfavorable to January 2025 due to funding requirements.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Purchase of Security Services	\$ 8,947	\$ (2,101)	\$ (1,226)	\$ 8,947	\$ (2,101)	\$ (1,226)

Purchase of Security Services was \$2.1 million unfavorable to budget for the month driven by an increase in police and security guard expenses. Compared to January 2025, expenses were \$1.2 million higher due to additional police and private security deployments on the system in 2026.

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Other Expenses	\$ 25,509	\$ (30)	\$ 2,852	\$ 25,509	\$ (30)	\$ 2,852

Other expenses were minimally unfavorable to budget for the month. Other expenses were \$2.9 million lower than prior year, primarily due to the timing of expenses. 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-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Total Operating Expenses	\$ 187,154	\$ (2,770)	\$ (7,608)	\$ 187,154	\$ (2,770)	\$ (7,608)

Operating Expenses were \$2.8 million unfavorable to budget for the month due to higher security and material expenses. Compared to the prior year, expenses were \$7.6 million higher for the month, mainly due to increased labor costs as detailed above.

IV. Recovery Ratio

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Recovery Ratio	20.50%	0.10		20.50%	0.10	

Recovery Ratio, which measures the percentage of operating expenses CTA funds from internally generated revenues against overall expenses, was 20.50% for the month. This was favorable to budget by 0.10 percentage points for the month and favorable to the RTA required recovery ratio of 20.00% by 0.5 percentage points. For 2026, the Northern Illinois Transit Authority Act waives the statutory recovery ratio requirement.

V. Ridership

Category	Current Month			Full Year		
	Actual	Variance to	Variance to	Actual	Variance to	Variance to
	Jan-26	Budget Jan-26	Prior Year Jan26 vs. Jan25	2026	Budget 2026	Prior Year 2025
Bus	14,850	1,128	1,088	14,850	1,128	1,088
Rail	8,199	238	335	8,199	238	335
Rail to Rail Transfers	1,341	37	53	1,341	37	53
Total	24,390	1,403	1,476	24,390	1,403	1,476

- Ridership for January was 24.4 million, 1.4 million higher than budget and 1.5 million higher than prior year. Excluding free rides and transfers, ridership was 0.3 million higher than budget.
- Calendar adjusted ridership was up 2.3% from prior year due to increased ridership from CTA's continued expansion of service delivery.
- More details on ridership can be found in the January Ridership Report.

VI. Cash & Liquidity

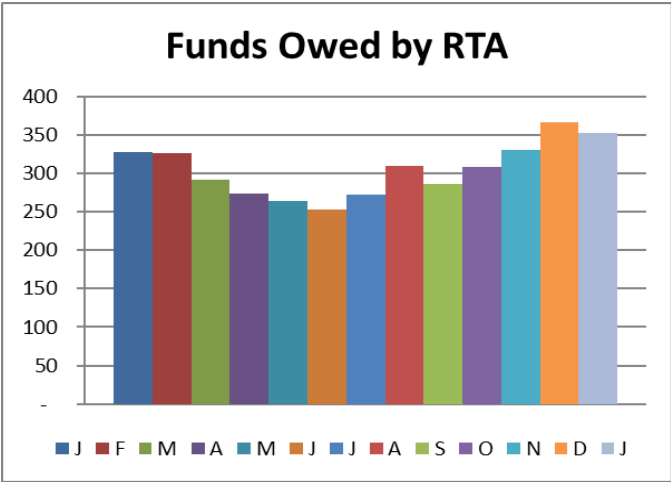
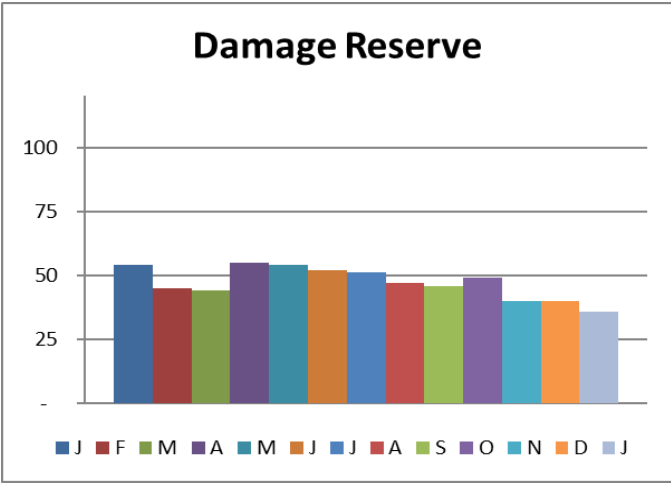
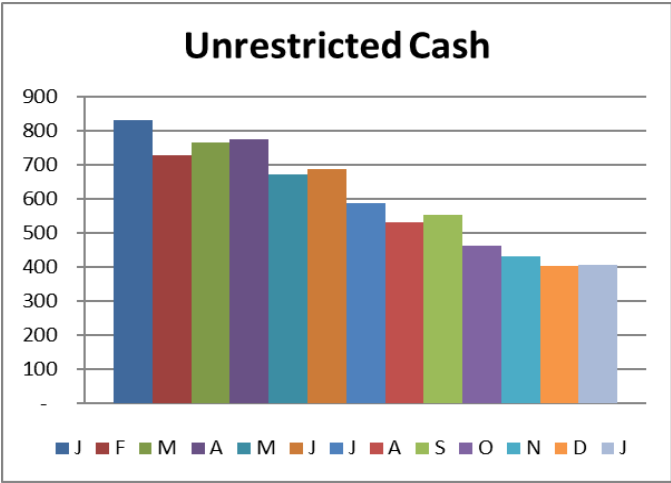
The chart below highlights CTA's cash position in January 2026 compared to January 2025.

	January 2026	January 2025	Increase (Decrease)
Unrestricted Cash	\$ 405,841	\$ 830,481	\$ (424,640)
Damage Reserve	35,538	53,913	\$ (18,375)
Funds Owed by RTA	353,373	345,264	\$ 8,109
Trust Portfolio Assets	386,385	468,469	\$ (82,084)
Total Cash and Receivables	\$ 1,181,137	\$ 1,698,127	\$ (516,990)

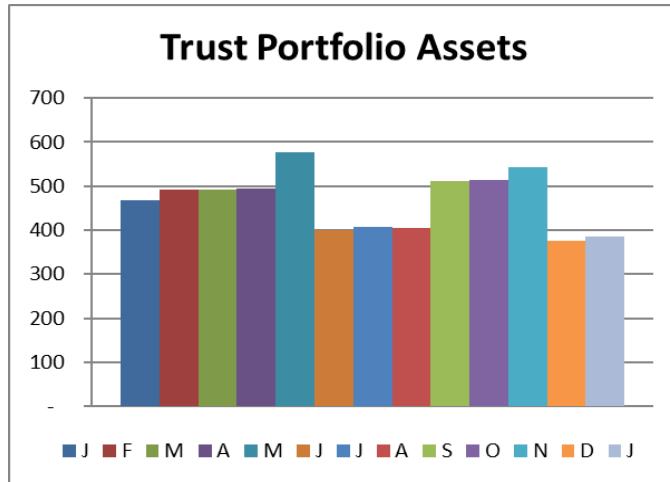
CTA's total cash/receivables balance was \$1.2 billion. Unrestricted cash was \$424.6 million lower than the prior year, primarily due to the drawdown of designated relief funds as they were utilized throughout 2025, in addition to the timing of cash receipts and invoice payments. A total of \$50.0 million was used from the designated reserve in January, with a remaining balance of \$217.8 million at the end of January. The Damage Reserve fund was \$18.4 million lower than last year due to settlement payments in 2025 and 2026, including YTD payments totaling \$4.2 million, offset by deposits into the fund. Funds owed by the RTA were approximately \$353.4 million, which was \$8.1 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 represent bond proceeds held in Trust for funding capital projects and making required debt service payments and therefore decrease when payments are made.

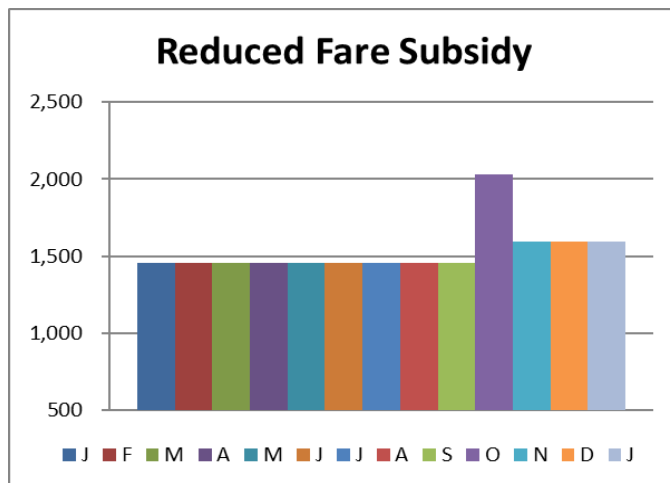
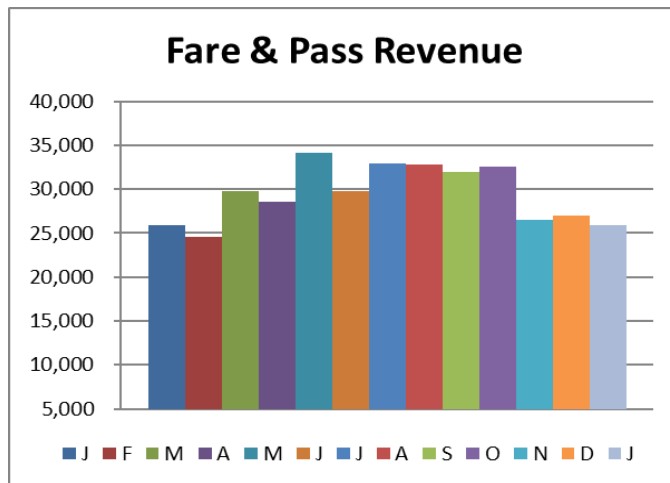
Cash & Liquidity



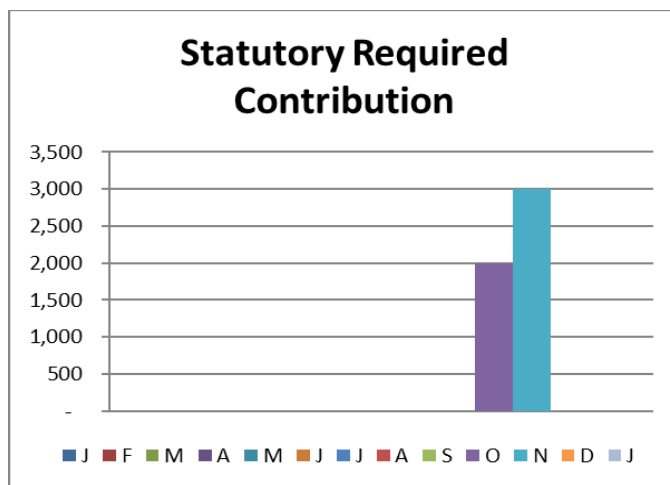
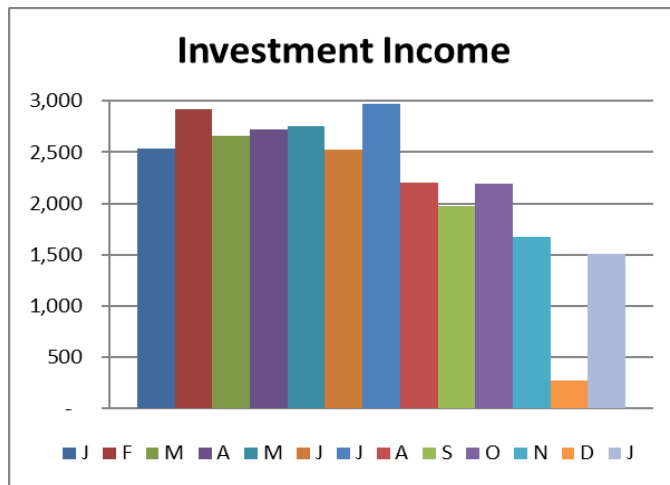
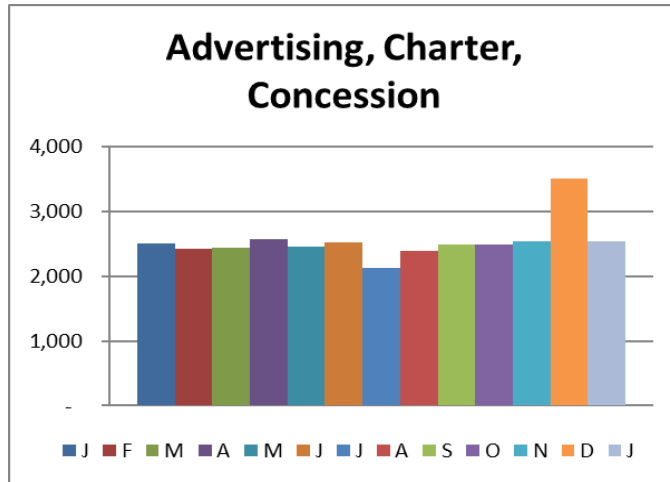
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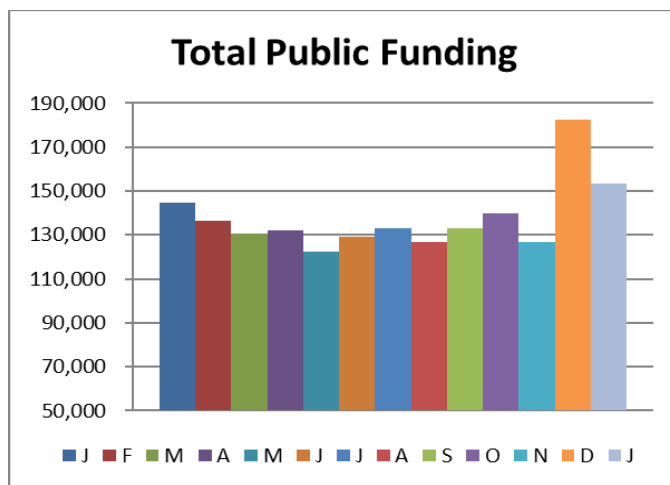
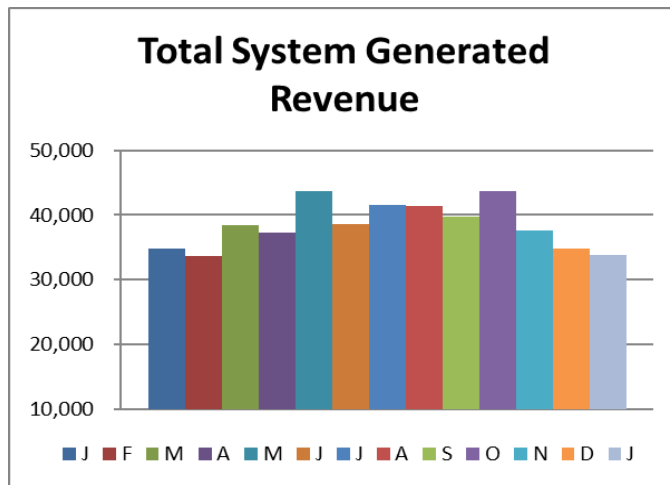
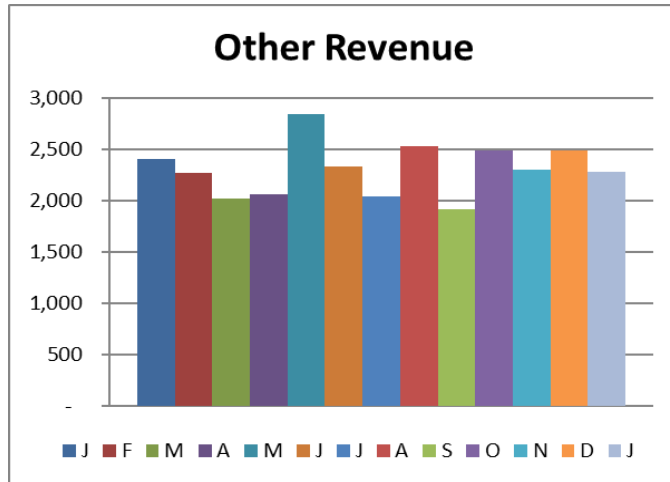
Revenue



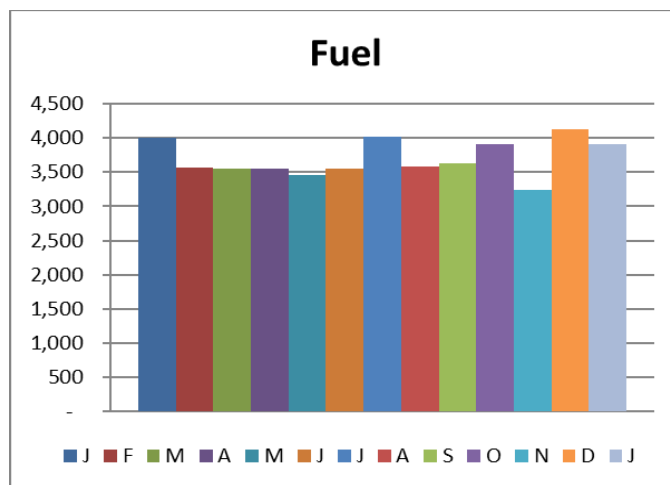
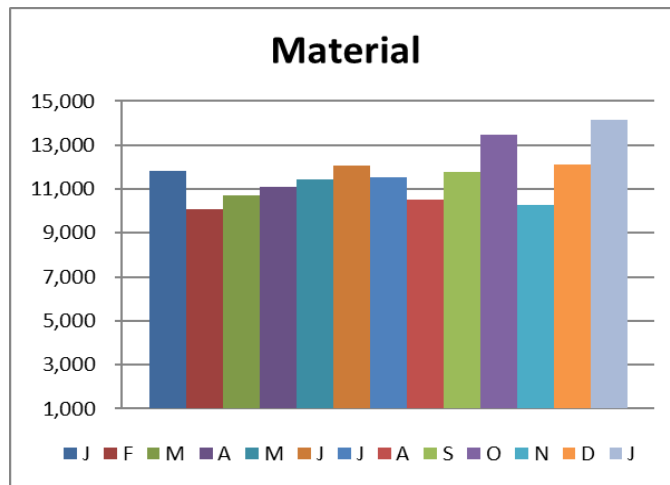
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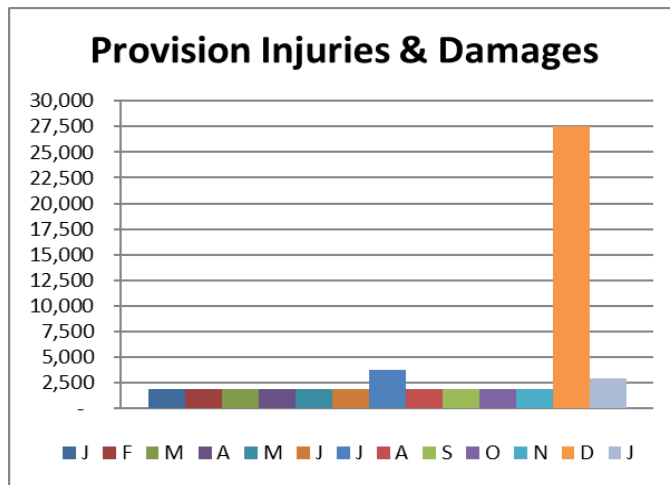
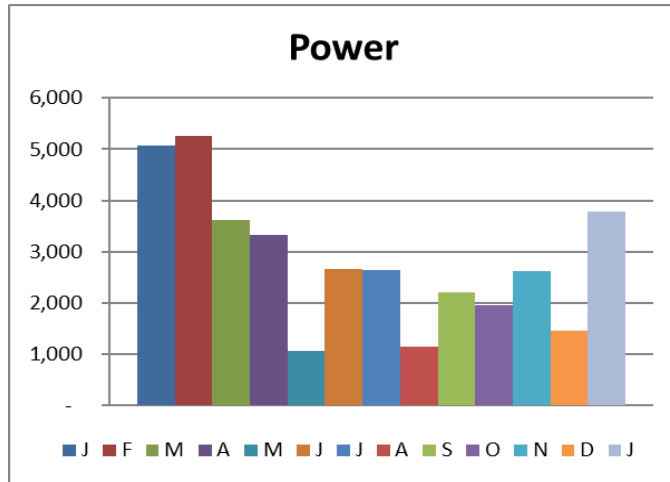
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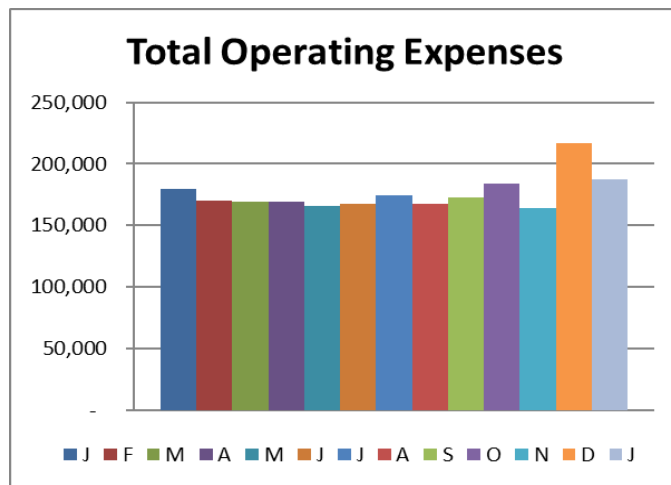
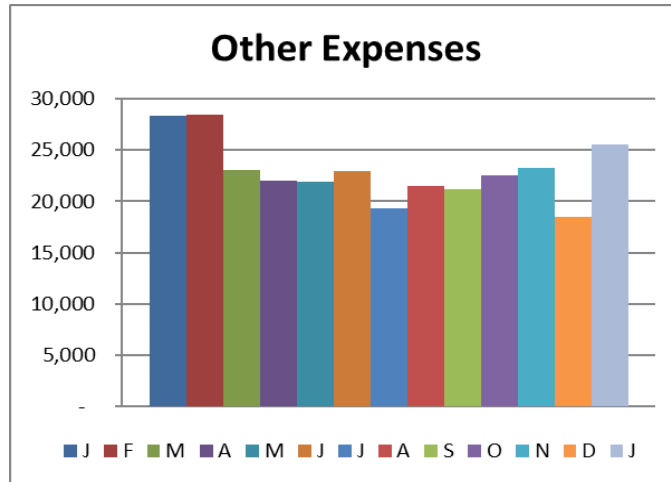
Expenses



Expenses Cont'd



Expenses Cont'd



Cash	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26
Unrestricted Cash	830	727	765	775	672	687	586	532	553	463	430	402	406
Damage Reserve	54	45	44	55	54	52	51	47	46	49	40	40	36
Funds Owed by RTA	328	326	291	273	264	253	272	309	286	308	330	366	353
Trust Portfolio Assets	468	491	493	495	577	401	407	406	511	513	542	375	386

Revenue	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26
Fare & Pass Revenue	25,884	24,525	29,816	28,537	34,147	29,774	32,880	32,844	31,974	32,514	26,531	27,003	25,948
Reduced Fare Subsidy	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453	1,453	2,034	1,598	1,598	1,598
Advertising, Charter, Concession	2,508	2,430	2,445	2,566	2,461	2,531	2,134	2,389	2,482	2,487	2,534	3,508	2,542
Investment Income	2,535	2,919	2,662	2,720	2,757	2,523	2,969	2,207	1,973	2,194	1,673	275	1,507
Statutory Required Contribution	-	-	-	-	-	-	-	-	-	2,000	3,000	-	-
Other Revenue	2,410	2,277	2,018	2,059	2,841	2,333	2,039	2,532	1,923	2,487	2,308	2,492	2,283
Total System Generated Revenue	34,790	33,604	38,393	37,334	43,659	38,614	41,474	41,424	39,805	43,716	37,645	34,875	33,878
Total Public Funding	144,756	136,344	130,476	131,937	122,210	129,165	133,126	126,485	133,119	139,851	126,848	182,343	153,276

Expenses	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26
Labor	120,702	112,825	119,367	121,444	119,140	118,042	126,116	122,508	125,013	132,680	116,060	144,502	127,976
Material	11,829	10,093	10,687	11,118	11,446	12,076	11,551	10,504	11,768	13,464	10,280	12,115	14,136
Fuel	4,009	3,561	3,553	3,549	3,458	3,555	4,014	3,582	3,628	3,902	3,235	4,126	3,906
Power	5,069	5,267	3,613	3,334	1,069	2,673	2,651	1,141	2,212	1,957	2,618	1,460	3,776
Provision Injuries & Damages	1,855	1,855	1,855	1,855	1,855	1,855	3,710	1,855	1,855	1,855	1,855	27,560	2,903
Purchase of Security Services	7,721	7,902	6,728	5,942	7,001	6,666	7,203	6,804	7,274	7,168	7,150	9,016	8,947
Other Expenses	28,362	28,445	23,066	22,028	21,900	22,911	19,354	21,515	21,174	22,541	23,295	18,438	25,509
Total Operating Expenses	179,546	169,948	168,869	169,271	165,869	167,778	174,600	167,909	172,924	183,567	164,493	217,218	187,154