



*October 25, 2020*

CTC has been approved for a Maine Economic Recovery Grant of \$100,000. The grant is funded through the federal CARES Act and is distributed through the Maine Department of Economic and Community Development and the Greater Portland Council of Governments.

This grant will help CTC at an extremely critical time. As we recently reported to the community, CTC's revenue has declined almost \$425,000 (43%) year to date because of the sharp drop in ridership due to the pandemic. The company has lost over half a million dollars in cash from our operations since the beginning of the year and currently projects an additional drain of another half-million dollars over the next six or seven months.

As welcome as an infusion of \$100,000 is to CTC, it represents only about one-tenth of the company's annual operating budget and does not come close to replacing the revenue lost just over the summer months.

Even in good years, CTC records substantial losses during the winter. Summer travel, which historically provides the company with a healthy financial buffer for the lean months, simply did not occur in 2020. As a result, there is no cushion. Yet the costs of daily operations, even with a reduced crew and schedule, remain fixed. Given the uncertainties of the duration of COVID, CTC cannot assume revenues will once again climb with the temperatures next spring.

Earlier this year, CTC received a loan of \$126,800 through the Payroll Protection Program of the CARES act. Receipt of this newest round of funding is most welcome. Although additional federal economic relief may be forthcoming at some point, that is by no means certain, nor is a timetable for release of any funding. Ultimately, for CTC and many other small businesses, relief will only come when activities return to pre-pandemic levels.

This grant gives CTC some needed breathing room and adds confidence that the company can survive as a viable business serving Chebeague and its residents until, hopefully, we return to a more normal environment. At CTC, we are looking forward, perhaps more than ever, to next summer.

CTC is committed to continuing open and transparent communications with the Chebeague community. We are very happy to be able to share this bright spot of good financial news with all who care about this island.