



2009 Budget

Actions

July 15, 2009

Original 2009 Budget Action Items

▶ Position Reductions

- 396 Positions were eliminated in the 2009 Budget saving \$4.9M in labor costs

▶ CTA Raised Fares on January 1, 2009 generating approximately \$39M in increased revenue.

- ▶ At a time of economic crisis where our customers need our services more than ever, CTA has maintained our service

Actions to Fill \$155M Gap

● Expense Reductions:

- Lower Injuries and Damages Reserve :\$10 M
- Labor Savings: \$3.8 M
 - Vacancy Eliminations, Reduced Overtime, Bus and Rail Schedule Efficiencies
- Fuel Savings Through Bus Schedule Efficiencies: \$ 200 K
- Power Savings Through Rail Schedule Efficiencies: \$300 K
- Reduction in Non-Revenue Fuel : \$ 990 K

● Proposed Revenue Increases:

- Preventative Maintenance From Capital: \$128.6 M
- Additional RTA Funding: \$8 M
- CTA Sale- Leaseback Funds: \$2.8 M

Monthly Variances Thru May

<u>Month</u>	<u>Expense Variance</u>	<u>Revenue Variance</u>
Jan	\$1.558 M	\$2.341 M
Feb	\$6.777 M	\$2.209 M
March	\$8.515 M	\$0.682 M
April	\$5.762 M	(\$0.853 M)
May	\$4.270 M	\$1.075 M
Total	\$26.882 M	\$5.481 M

Total Thru May: \$32.363 M

Ongoing Budget Management Efforts

Labor - \$12.2M in savings

- ▶ Reduction in Overtime
- ▶ Delay in Raises for Exempt Employees
- ▶ Hiring Freeze in Early 2009
- ▶ Furlough Days

Materials & Fuel - \$5.8M in savings

- ▶ Parking of NABI buses
- ▶ New Buses

Other Expenses - \$16.7M in savings

- ▶ Reduction of Non-Essential Travel and Seminars
- ▶ Decrease in Cost of Utilities
- ▶ Reduction in Cost of Equipment Maintenance Services

\$34.7 M in Savings from Cost Controls and Efficiencies

Proposed Actions to Fill \$35.2 M Gap

- ▶ **Maintain Cost Controls and Efficiencies**

- \$34.7 M in savings through June 2009

- ▶ **Projected Ridership and Revenue Increases**

- \$0.9 M projected as a net increase to system generated revenue