2019 PROPOSED BUDGET OVERVIEW

November 14, 2018
2019 Proposed Budget Overview

- 2019 Budget proposal is a balanced budget that totals $1.55B
- No fare increase or service cuts proposed for the 2019 budget
- State cuts continue to impact the budget
- CTA continues to find cost savings and additional non-farebox revenues
**State Budget Impact**

- State cuts continue to impact both the operating and capital budget.
- State budget cuts estimated at $15M for 2019 due to 1.5% surcharge on sales tax receipts and 5% reduction to Public Transportation Funds (PTF).
  - Assumes PTF and Reduced Fare Reimbursement funding is restored for the SFY 2020 Budget.
- There has been no state capital bill since 2009.
  - $200M impact per year.
CTA continues to find cost savings and new non-farebox revenues

The 2019 budget includes
- Cutting $18.0M in labor costs – freezing 150 positions
- Locking in fuel and power costs providing budget certainty and saving $3.3M
- Holding the line on contractual expenses

Since 2011, CTA has realized $330M in cost savings and additional non-farebox revenues
- Over $150M has been achieved during President Carter’s tenure
2019 Operating Budget

Expenses
- Required labor costs increase
- Fuel costs increase due to rising gas prices
- Debt service costs growing due to a lack of a State Capital bill

Revenues
- Fare and pass revenues increase slightly based on current trends and full year of U-pass increase
- Public funding growth based on RTA projections for Sales Tax growth and assumes restoration of State funding with SFY 2020 budget
2019-2023 Proposed Capital Improvement Program Overview
2019-2023 Capital Improvement Program

Program Size
- 2019-2023 CIP is $2.9B

Funding Sources
- The primary source of funding is federal funds
- There has been no State capital bill since 2009
- CTA and RTA are also issuing bonds to fund capital projects

Types of Projects Funded
- Transformative capital projects (RPM, RLE, YNB)
- Rehab and develop gateway stations
- Modernize bus and rail car fleets
- Safe and Secure and FastTracks
- State of Good Repair projects