

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 TIGHTEN ITS BELT

- **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

