

ORDINANCE NO. 012-156

AN ORDINANCE ADOPTING A BUDGET
FOR CALENDAR YEAR 2013 AND
FINANCIAL PLAN FOR CALENDAR
YEARS 2014-2015

WHEREAS, The Chicago Transit Authority has prepared and published a proposed 2013 Annual Operating Budget and 2014–2015 Financial Plan setting forth operational expenditures; and

WHEREAS, The Authority held a Community Meeting on December 10, 2012 and will hold a Public Hearing on December 17, 2012, on the 2013 Proposed Budget and 2014–2015 Proposed Financial Plan; and

WHEREAS, The Authority will hold a meeting on December 18, 2012 with the County of Cook as required by Section 34 of the Metropolitan Transit Authority Act; and

WHEREAS, The Chicago Transit Board has considered the results of said meetings and hearing and reviewed the Proposed Budget and Financial Plan; and

WHEREAS, The amount of total funding, including the public funding that the Chicago Transit Authority will receive in 2013 from the Regional Transportation Authority, is sufficient to meet budgetary requirements; and

WHEREAS, The Regional Transportation Authority Act requires that the Chicago Transit Authority submit to the Regional Transportation Authority a 2013 Annual Budget and Program and 2014–2015 Financial Plan; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. This ordinance, designated the Calendar Year 2013 Budget Ordinance, is approved.

SECTION 2. The Calendar Year 2013 Operating Budget is contained in Exhibit A attached hereto and incorporated herein by reference.

SECTION 3. The Calendar Years 2014–2015 Financial Plan is contained in Exhibit B attached hereto and incorporated herein by reference.

SECTION 4. The Calendar Year 2013 Operating Budget and the 2014–2015 Financial Plan are subject to such amendment as may be required by adoption of the Regional Transportation Authority's 2013 Budget.

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SECTION 5. The amounts designated for the Calendar Year 2013 Operating Budget contained in Exhibit A attached hereto and incorporated herein by reference, are hereby appropriated to the uses and purposes set forth therein.

SECTION 6. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

December 18, 2012

December 18, 2012

Exhibit A – Ordinance No.

2013 Annual Operating Budget

President's 2013 Proposed Operating Budget - REVISED
(in thousands)

<u>Operating Expenses</u>	<u>Actual 2011</u>	<u>Revised Budget 2012</u>	<u>Forecast 2012</u>	<u>Proposed Budget 2013</u>
Labor	\$ 893,834	\$ 919,075	\$ 924,885	\$ 918,875
Material	67,919	68,493	66,714	57,279
Fuel	57,273	65,631	65,238	65,342
Power	28,099	22,867	23,650	23,175
Provisions for Injuries and Damages	15,000	24,000	24,000	11,792
Purchase of Security Services	36,815	36,803	40,175	38,734
Other Expenses	193,394	126,036	129,036	242,884
Total Operating Expenses	\$ 1,292,333	\$ 1,262,905	\$ 1,273,698	\$ 1,358,081
 <u>System Generated Revenue</u>				
Fare and Passes	\$ 527,853	\$ 545,000	\$ 549,000	\$ 611,281
Reduced Fare Subsidy	26,026	28,000	28,099	28,322
Advertising, Charter & Concessions	21,459	22,802	25,499	27,851
Investment Income	578	867	629	629
Statutory Required Contributions	5,000	5,000	5,000	5,000
Other Revenue	31,401	27,013	34,542	31,954
Total System Generated Revenue	\$ 612,317	\$ 628,682	\$ 642,769	\$ 705,037
 <u>Public Funding</u>				
Public Funding Available Through RTA	\$ 583,920	\$ 616,609	\$ 630,929	\$ 653,044
Additional 2011 Sales Tax/ Discretionary	-	17,614	-	-
Transfer From Capital- Preventive Maintenance	118,000	-	-	-
Total Public Funding	\$ 701,920	\$ 634,223	\$ 630,929	\$ 653,044
 Recovery Ratio	 57.25%	 60.38%	 61.48%	 63.37%
Required Recovery Ratio	52.00%	52.00%	52.00%	52.00%
 Balance	 \$ 21,904	 \$ -	 \$ -	 \$ -

* Recovery ratio is calculated by dividing System Generated Revenue over Operating Expense. The calculation includes in-kind revenues and expenses for security provided by City of Chicago, excludes security expense, POB debit services and includes some grant revenues.

Exhibit B – Ordinance No.

2014–2015 Financial Plan

2014-2015 Operating Financial Plan- REVISED

(in thousands)

	<u>Forecast</u> <u>2012</u>	<u>Proposed</u> <u>Budget 2013</u>	<u>Plan</u> <u>2014</u>	<u>Plan</u> <u>2015</u>
<u>Operating Expenses</u>				
Labor	\$ 924,885	\$ 918,875	\$ 932,721	\$ 962,674
Material	66,714	57,279	66,722	68,724
Fuel	65,238	65,342	67,302	69,321
Power	23,650	23,175	23,639	24,111
Provisions for Injuries and Damages	24,000	11,792	24,744	25,733
Purchase of Security Services	40,175	38,734	39,896	41,093
Other Expenses	129,036	242,884	246,223	248,214
Total Operating Expenses	\$ 1,273,698	\$ 1,358,081	\$ 1,401,247	\$ 1,439,870
<u>System Generated Revenue</u>				
Fare and Passes	\$ 549,000	\$ 611,281	\$ 636,272	\$ 648,997
Reduced Fare Subsidy	28,099	28,322	28,322	28,322
Advertising, Charter& Concessions	25,499	27,851	28,408	28,976
Investment Income	629	629	643	658
Statutory Required Contributions	5,000	5,000	5,000	5,000
Other Revenue	34,542	31,954	35,954	39,954
Total System Generated Revenue	\$ 642,769	\$ 705,037	\$ 734,599	\$ 751,907
<u>Public Funding</u>				
Public Funding Available Through RTA	\$ 630,929	\$ 653,044	\$ 666,648	\$ 687,963
Additional 2011 Sales Tax/ Discretionary	-	-	-	-
Transfer From Capital- Preventive Maintenance	-	-	-	-
Total Public Funding	\$ 630,929	\$ 653,044	\$ 666,648	\$ 687,963
Recovery Ratio	61.48%	63.37%	63.69%	63.22%
Required Recovery Ratio	52.00%	52.00%	52.00%	52.00%
Balance	\$ -	\$ -	\$ -	\$ -

* Recovery ratio is calculated by dividing System Generated Revenue over Operating Expense. The calculation includes in-kind revenues and expenses for security provided by City of Chicago, excludes security expense, POB debit services and includes some grant revenues.