

ORDINANCE NO. 025-117

AN ORDINANCE ADOPTING A
BUDGET FOR CALENDAR YEAR
2026 AND FINANCIAL PLAN FOR
CALENDAR YEARS 2027–2028

WHEREAS, The Chicago Transit Authority (“Authority”) has prepared and published a proposed 2026 Annual Operating Budget and 2027–2028 Financial Plan setting forth operational expenditures; and

WHEREAS, The Authority held a public hearing on November 05, 2025, on the 2026 Proposed Operating Budget and 2027–2028 Proposed Operating Financial Plan as required by Section 34 of the Metropolitan Transit Authority Act (“MTA Act”); and

WHEREAS The Authority held a meeting on November 10, 2025, with the Board of Commissioners of Cook County, Illinois as required by Section 34 of the MTA Act; and

WHEREAS, The Chicago Transit Board has considered the results of said hearing and meeting 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 2026 from the Regional Transportation Authority, is sufficient to meet budgetary requirements; and

WHEREAS, The Regional Transportation Authority Act, 70 ILCS 3615/4.11, requires that the Chicago Transit Authority submit to the Regional Transportation Authority a 2026 Annual Budget and Program and 2027–2028 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 2026 Budget Ordinance, is hereby approved.

SECTION 2. The Calendar Year 2026 Operating Budget is contained in Exhibit A hereto and incorporated herein by reference.

SECTION 3. The Calendar Years 2027–2028 Financial Plan is contained in Exhibit B hereto and incorporated herein by reference.

SECTION 4. The Calendar Year 2026 Operating Budget and the 2027–2028 Financial Plan are subject to such amendment as may be required by adoption of the Regional Transportation Authority’s 2026 Budget.

SECTION 5. The amounts designated for the Calendar Year 2026 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

November 12, 2025

Assistant Secretary

November 12, 2025

Exhibit A – Ordinance No. 025-117
Calendar Year 2026 Operating Budget (Dollars in Thousands)

(\$ in Thousands)	<u>Original</u> <u>2026 Budget</u>	<u>Revised</u> <u>2026 Budget</u>
<u>Operating Expenses</u>		
Labor	1,549,919	1,549,919
Material	151,772	151,772
Fuel	43,244	43,244
Power	48,094	48,094
Provision for Injuries and Damages	34,840	34,840
Purchase of Security Services	82,149	82,149
Other Expenses		
Pension Obligation Bonds (Net)	85,793	85,793
Contractual Services	181,715	181,715
Utilities, Non-Capital Grant, Travel, Leases, Other	33,580	33,580
Other Debt Service	20,460	20,460
Other Expenses Total	321,547	321,547
Total Operating Expenses	<u>\$ 2,231,565</u>	<u>\$ 2,231,565</u>
<u>System Generated Revenue</u>		
Fare and Passes	393,986	364,214
Reduced Fare Subsidy	19,176	19,176
Advertising, Charter & Concessions	33,813	33,813
Investment Income	10,650	10,650
Statutory Required Contributions	5,000	5,000
Other Revenue	22,831	22,831
System Generated Revenue	<u>\$ 485,455</u>	<u>\$ 455,683</u>
<u>Public Funding</u>		
Sales Tax I	602,213	602,213
Sales Tax II	86,306	86,306
PTF II	110,904	110,904
RETT	67,043	67,043
PTF II on RETT	17,246	17,246
Non-Statutory Funding - PTF I	366,095	366,095
Non-Statutory Funding - Sales Tax I	109,769	109,769
ICE	17,390	17,390
SB 2111 Allocation		141,972
Public Funding	<u>\$ 1,376,965</u>	<u>\$ 1,518,938</u>
Relief/Reserve Funds	\$ 256,944	\$ 256,944
Balancing Actions	\$ 112,200	
Total Operating Revenue	<u>\$ 2,231,565</u>	<u>\$ 2,231,565</u>
Recovery Ratio*	54.75%	22.83%
Required Recovery Ratio	54.75%	20.00%

* Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, (iii) includes a portion of senior free ride revenue.

Note: Totals may not add due to rounding

Exhibit B – Ordinance No. 025-117
Calendar Years 2027 - 2028 Financial Plan (Dollars in Thousands)

(\$ in Thousands)	<u>2027 Plan</u>	<u>2028 Plan</u>
<u>Operating Expenses</u>		
Labor	1,596,417	1,660,273
Material	155,688	159,674
Fuel	44,175	45,725
Power	48,522	48,790
Provision for Injuries and Damages	45,021	46,822
Purchase of Security Services	84,613	87,152
Other Expenses		
Pension Obligation Bonds (Net)	83,219	79,891
Contractual Services	189,028	194,698
Utilities, Non-Capital Grant, Travel, Leases, Other	34,277	35,069
Other Debt Service	19,185	19,641
Other Expenses Total	<u>325,709</u>	<u>329,299</u>
Total Operating Expenses	<u>\$ 2,300,144</u>	<u>\$ 2,377,733</u>
<u>System Generated Revenue</u>		
Fare and Passes	367,086	369,120
Reduced Fare Subsidy	19,176	19,176
Advertising, Charter & Concessions	35,165	36,572
Investment Income	7,215	7,576
Statutory Required Contributions	5,000	5,000
Other Revenue	23,516	24,221
System Generated Revenue	<u>\$ 457,158</u>	<u>\$ 461,665</u>
<u>Public Funding</u>		
Sales Tax I	617,268	629,613
Sales Tax II	84,774	82,395
PTF II	113,920	116,249
RETT	70,395	73,915
PTF II on RETT	17,599	18,479
Non-Statutory Funding - PTF I	368,567	375,938
Non-Statutory Funding - Sales Tax I	53,157	54,478
ICE	-	-
SB 2111 Allocation	517,307	565,003
Public Funding	<u>\$ 1,842,986</u>	<u>\$ 1,916,069</u>
Relief/Reserve Funds		
Total Operating Revenue	<u>\$ 2,300,144</u>	<u>\$ 2,377,733</u>
Recovery Ratio*	20.00%	20.00%
Required Recovery Ratio	20.00%	20.00%

* Recovery ratio is calculated by dividing System-Generated Revenue by Operating Expenses. The calculation includes (i) in-kind revenues and expenses for security provided by the City of Chicago, (ii) excludes security expenses, (iii) includes a portion of senior free ride revenue.

Note: Totals may not add due to rounding