



For immediate release

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RTA BOARD APPROVES 2008 REGIONAL TRANSIT BUDGET *New budget includes drastic service cuts, increased fares and unfortunate layoffs*

Chicago – The Regional Transportation Authority Board of Directors approved its 2008 budget today. The financial plan for the RTA, CTA, Metra and Pace includes a drastic series of service cuts, fare increases and layoffs next month in order to help close a projected \$405 million budget shortfall.

“No one wants to cut service and increase costs for riders,” said RTA Chairman Jim Reilly. “But we have a financial and legal responsibility to approve balanced budgets. Without a long-term, comprehensive funding plan approved by the state, we have to regrettably begin planning for a smaller system that will serve fewer riders.”

In recent years, the Service Boards have shifted significant funding – nearly \$100 million – in capital funds to help support day-to-day operations. The RTA board-approved budget limited these types of transfers for 2008.

“We have to dedicate the limited capital funds we have to maintaining the system and making critical repairs,” said Steve Schlickman, RTA executive director.

CTA and Pace will impose severe fare increases, service cuts and employee layoffs. Dozens of bus routes will be eliminated in the CTA and Pace systems, and the two agencies will lay off over 2,500 employees. Metra will raise fares and reduce maintenance on its system. These actions are scheduled to begin January 20th.

“Today’s board actions are particularly frustrating because we know the region wants more transit, not less,” said Jim Reilly.

The 2008 budget also does not assume additional funding from the state will arrive, despite ongoing work in the state legislature on funding and reform legislation.

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“We simply do not know if or when funding from the state will arrive,” explained Schlickman. “We remain hopeful and some limited progress has been made in the General Assembly, but we must plan based on the resources we have on hand.”

In addition to the impacts on service and riders and increased traffic congestion, failure to approve a new funding plan will prevent key CTA pension and healthcare reforms from being instituted.

“Only by reforming the pension and retiree health care plans, will we solve the funding crisis at the CTA. Without a comprehensive funding plan from the state, we risk an historic opportunity to reform the system,” noted Reilly.

The RTA, CTA, Metra and Pace have worked together over the last two years to develop a strategic plan, institute important reforms and develop a new funding plan for transit operations and capital needs. Short term funding assistance from the State of Illinois has twice delayed reductions in service and increases in fares, but the agencies can no longer delay these cost-cutting moves going into 2008.

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Moving Beyond Congestion is a joint strategic plan including the RTA and its Service Boards: the CTA bus and train, Metra commuter rail and Pace suburban bus and paratransit service. The goal is to maintain, enhance and expand transit in northeastern Illinois. For more information, visit www.MovingBeyondCongestion.org or call 1-866-771-7781.

a joint strategic
planning project by

