



ORDINANCE NO. 2021-70

APPROVING THE 2022 BUDGETS AND 2023-2024 FINANCIAL PLANS OF THE SERVICE BOARDS, ADOPTING THE 2022 BUDGET AND PROGRAM OF THE AUTHORITY, APPROPRIATING FUNDS FOR THE 2022 BUDGETS, ALLOCATING CERTAIN REVENUES OF THE RTA TO THE SERVICE BOARDS, ADOPTING THE FIVE-YEAR CAPITAL PROGRAM, AND TAKING CERTAIN OTHER ACTIONS WITH RESPECT TO THE BUDGET AND PROGRAM FOR FISCAL YEAR 2022

WHEREAS, Section 4.01 of the Regional Transportation Authority Act (the “Act”) directs the Board of Directors of the Regional Transportation Authority (the “RTA Board”) to (i) appropriate money to perform the purposes of the Regional Transportation Authority (the “RTA” or the “Authority”) and provide for payment of debts and expenses of the RTA, (ii) take action with respect to the budget and two-year financial plan of each of the Chicago Transit Authority (the “CTA”), the Commuter Rail Division of the Regional Transportation Authority (“Metra”), the Suburban Bus Division of the Regional Transportation Authority (“Pace”, and, together with the CTA and Metra, collectively, the “Service Boards” and each, individually, a “Service Board”), as provided for in Section 4.11 of the Act, and (iii) adopt an Annual Budget and Two-Year Financial Plan for the RTA that includes the annual budget and two-year financial plan of each Service Board that has been approved by the RTA;

WHEREAS, the federal government has provided relief funding for transit via the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (“CRRSAA”), and American Rescue Plan (“ARP”) Act, allowing FTA grants for reimbursement of lost revenue and eligible expenses related to the coronavirus public health emergency, providing a mechanism to replace both RTA public funding shortfalls and Service Board fare revenue losses;

WHEREAS, pursuant to Section 4.11 of the Act, the RTA Board adopted Ordinance 2021-52 on September 15, 2021, identifying the amounts of RTA funds estimated to be available to each Service Board for operations during fiscal year 2022 and the two following fiscal years;

WHEREAS, the RTA Board adopted Ordinance 2021-60 on November 5, 2021, allocating the RTA region’s share of \$1.497 billion of federal ARP Act funding to the Service Boards in the following amounts: CTA \$912,124,980; Metra \$513,586,257; and Pace \$71,263,074;

WHEREAS, CTA has applied for discretionary ARP Act funding made available by the FTA via a Notice of Funding Opportunity (“NOFO”) on September 7, 2021, and CTA can reasonably anticipate an award of additional relief funding from this source;

ADOPTED DECEMBER 16, 2021

WHEREAS, the RTA Board adopted Ordinances 2020-20, 2021-08, and 2021-52, authorizing CTA, Metra, and Pace Suburban Service to include federal relief funding requisitioned for fare revenue replacement as operating revenue for the purpose of achieving required system-generated revenue recovery ratios;

WHEREAS, COVID-19 effects which began in March 2020 are expected to continue to have a material impact on RTA ridership and fare revenue through the 2022 to 2024 planning period;

WHEREAS, pursuant to Section 4.11 of the Act, each Service Board has submitted a proposed fiscal year 2022 budget and 2023–2024 financial plan to the RTA for review and approval;

WHEREAS, the proposed Metra and Pace operating budgets and plans identified the need for additional relief funding or budget balancing actions, now expected to be fully met with existing federal relief funding;

WHEREAS, the proposed CTA operating budget and plan identified the need for additional relief funding or budget balancing actions, now expected to be met with existing and pending federal relief funding, required to achieve balance and meet CTA’s required recovery ratio in 2024;

WHEREAS, stronger than expected RTA sales tax performance in 2021 will necessitate an RTA funding amendment in early 2022 to reforecast RTA funding levels, requiring revised 2022 operating budgets which re-estimate the amount of federal relief funding required by the Service Boards to support proposed operating expense levels through 2024;

WHEREAS, pursuant to Section 4.01(a) of the Act, the RTA held a virtual public hearing in the metropolitan region on December 1, 2021, and met with the county board or its designee of each of the several counties in the metropolitan region, with respect to the proposed annual budget and two-year financial plan, and considered the public comments on the proposed budget and financial plan;

WHEREAS, pursuant to Sections 4.01(a) and 4.11(d) of the Act, the budgets and financial plans of the Service Boards shall contain estimated expenses for contributions to be made with respect to pension and other employee benefits, and the Service Boards are required to present to the RTA budgets prepared in such detail as prescribed by the Board, which have been prepared on both an accrual and a cash flow basis, and that fairly present the condition of any pension plan or trust for health care benefits with respect to retirees established by the Service Board and describes the plans of the Service Boards to meet the requirements of Sections 4.02a and 4.02b;

WHEREAS, pursuant to Sections 4.02a and 4.02b of the Act, the RTA shall continually review the payment of the required employer contributions to affected pension plans and if at any time the RTA determines that a Service Board’s payment of any portion of the required contributions

to an affected pension plan is more than one month overdue, it shall as soon as possible pay the amount of those overdue contributions to the trustee of the affected pension plan on behalf of that Service Board out of monies otherwise payable to that Service Board under Section 4.03.3, and the RTA shall thereafter have no liability to the Service Board for amounts paid to the trustee of the affected pension plan, and if the RTA's payment of such contributions is similarly overdue it shall pay such overdue amount out of its administrative expenses;

WHEREAS, Section 4.10 of the Act prohibits the RTA from releasing funds, other than those allocated pursuant to sections 4.03 and 4.03.1 which are allocated to the CTA under Section 4.01(d), to the CTA in any fiscal year unless a unit or units of local government in Cook County (other than the CTA) enters or enter into an Agreement with the CTA to make a monetary contribution for such year of at least \$5,000,000 for public transportation;

WHEREAS, pursuant to Section 4.03.3 of the Act, the RTA has established public funding levels in 2022 through 2024 for the Suburban Community Mobility Fund and the Innovation, Coordination, and Enhancement Fund (the "ICE Fund") that change proportionately with the percentage change in estimated RTA sales tax receipts;

WHEREAS, RTA Ordinance 2021-52 allocated ICE Fund amounts to the Service Boards, for operating or capital purposes, subject to a process that meets the requirements of the RTA Act, and the Service Boards have included proposed ICE Fund projects in their 2022 budget submissions to the RTA;

WHEREAS, pursuant to Section 2.01d of the Act, the RTA has established public funding levels in 2022 through 2024 for the ADA Paratransit Fund;

WHEREAS, pursuant to Section 4.11(a) of the Act, the RTA Board shall review the interim 2022 results for the provision of Regional ADA Paratransit service operations, and the written report of the Executive Director related thereto, no later than September 15, 2022, and shall amend the 2022 budgets of the Authority and the Service Boards to provide for additional funding for the provision of ADA Paratransit services, if needed;

WHEREAS, the RTA will reimburse the purchase of excess liability and terrorism insurance by the RTA system's Loss Financing Plan and Joint Self Insurance Fund to provide system protection against catastrophic loss;

WHEREAS, on January 18, 2018, and pursuant to Section 2.01a of the Act, the RTA Board adopted Ordinance 2018-02 approving the Regional Transit Strategic Plan (the "Strategic Plan"), which delineates a number of regional goals and objectives;

WHEREAS, the provisions of this Ordinance comport with the goals and objectives set forth in the Strategic Plan;

WHEREAS, pursuant to Section 2.01b of the Act, the Authority shall each year adopt a Five-Year Capital Program that shall include each capital improvement to be undertaken by or on behalf of a Service Board; provided that the Authority finds that the improvement meets any criteria for capital improvements contained in the Strategic Plan, is not inconsistent with any sub-regional or corridor plan adopted by the Authority, and can be funded within amounts available with respect to the capital and operating costs of such improvement;

WHEREAS, pursuant to Section 4.01 (h) of the Act, no Service Board shall undertake any capital improvement which is not identified in the Five-Year Capital Program;

WHEREAS, in order to ensure a continued responsible allocation of transit funding as well as to further regional financial transparency, the RTA Board adopted Ordinance 2021-39 on July 15, 2021, approving a performance-based capital allocation process that was developed in collaboration with the Service Boards;

WHEREAS, pursuant to Section 2.01b of the Act, the RTA conducted a virtual public hearing on December 1, 2021, with respect to the proposed Five-Year Capital Program, providing an opportunity for input by residents of the RTA region, and has considered the public comments on the proposed capital program resulting from such hearing;

WHEREAS, the Five-Year Capital Program included with this Ordinance is based on capital program submittals from the RTA and Service Boards, and if the RTA Board makes any amendments to the estimates of capital funding available based on subsequent federal or state actions, the Service Boards will be required to adjust their capital programs to reflect such revised estimates;

WHEREAS, unfavorable economic conditions in prior years required the RTA to deplete its fund balance to provide funds to the Service Boards, and to allocate, rather than reserve, financial resources in an effort to preserve operating stability;

WHEREAS, RTA 2016 Budget Ordinance 2015-55 rescinded the provisions of the Fund Balance Policy adopted by Ordinance 98-15 and the provisions of the Fund to Budget Policy adopted by Ordinance 91-9;

WHEREAS, in accordance with the RTA Reserve Policy implemented in October 2015, the Service Boards have an ongoing responsibility to maintain individual reserve plans which will address any structural funding or operating revenue reductions or expense increases with remedial actions, and that the Service Boards have shared updated reserve plans with the RTA as required by the 2022 Budget Call;

WHEREAS, the RTA will continue to exercise its short-term borrowing authority to manage delays in State funding;

WHEREAS, the RTA will attempt to minimize the impact on Service Board funding levels from financial transactions that are sensitive to prevailing interest rates, collateral calls, and arbitrage penalties;

WHEREAS, the RTA Board held a regular Board meeting on November 18, 2021, to review the details of the Service Boards' proposed budgets and capital programs with representatives from each of the Service Boards; and

WHEREAS, the RTA Board has determined that it is in the best interest of the RTA to take the following actions in order to carry out its powers and duties under the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE REGIONAL TRANSPORTATION AUTHORITY THAT:

**ARTICLE I
INCORPORATION OF PREAMBLES**

The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

**ARTICLE II
APPROVAL OF BUDGETS AND FINANCIAL PLANS**

Section One: Service Board Budgets and Financial Plans

1.1 In compliance with the Act, the RTA has received and reviewed the proposed budgets for 2022 and financial plans for 2023 and 2024, of each of the Service Boards.

1.2 With respect to the proposed budget and financial plan submitted by CTA (as summarized in Schedule I-B), the RTA finds as follows:

- (a) the CTA budget and plan shows a balance between (i) anticipated revenues from all sources, including operating subsidies and application of Service Board fund balances, and (ii) the cost of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- (b) the CTA budget and plan shows cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenses as incurred;
- (c) the CTA budget and plan provides for a level of fares or charges and operating or administrative costs for the public transportation provided by or subject to the jurisdiction of CTA sufficient to allow CTA to meet or exceed its required system-generated revenue recovery ratio, as set forth in Schedule I-C;
- (d) the CTA budget and plan is based upon and employs assumptions and projections which are reasonable and prudent;
- (e) the CTA budget and plan has been prepared in accordance with sound financial practices;
- (f) the CTA budget and plan meets the other financial, budgetary, or fiscal requirements that the RTA has established; and
- (g) the CTA budget and plan is consistent with the goals and objectives adopted by the RTA in the Strategic Plan.

1.3 With respect to the proposed budget and financial plan submitted by Metra (as summarized in Schedule I-B), the RTA finds as follows:

- (a) the Metra budget and plan shows a balance between (i) anticipated revenues from all sources, including operating subsidies and application of Service Board fund balances, and (ii) the cost of providing the services specified and of funding any operating deficits

or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;

(b) the Metra budget and plan shows cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenses as incurred;

(c) the Metra budget and plan provides for a level of fares or charges and operating or administrative costs for the public transportation provided by or subject to the jurisdiction of Metra sufficient to allow Metra to meet or exceed its required system-generated revenue recovery ratio, as set forth in Schedule I-C;

(d) the Metra budget and plan is based upon and employs assumptions and projections which are reasonable and prudent;

(e) the Metra budget and plan has been prepared in accordance with sound financial practices;

(f) the Metra budget and plan meets the other financial, budgetary, or fiscal requirements that the RTA has established;

(g) the Metra budget and plan is consistent with the goals and objectives adopted by the RTA in the Strategic Plan.

1.4 With respect to the proposed budget and financial plan submitted by Pace for Suburban Service (as summarized in Schedule I-B), the RTA finds as follows:

(a) the Pace Suburban Service budget and plan shows a balance between (i) anticipated revenues from all sources, including operating subsidies and application of Service Board fund balances, and (ii) the cost of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;

(b) the Pace Suburban Service budget and plan shows cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenses as incurred;

(c) the Pace Suburban Service budget and plan provides for a level of fares or charges and operating or administrative costs for the public transportation provided by or subject to the jurisdiction of Pace sufficient to allow Pace to meet or exceed its required system-generated revenue recovery ratio, as set forth in Schedule I-C;

(d) the Pace Suburban Service budget and plan is based upon and employs assumptions and projections which are reasonable and prudent;

(e) the Pace Suburban Service budget and plan has been prepared in accordance with sound financial practices;

(f) the Pace Suburban Service budget and plan meets the other financial, budgetary, or fiscal requirements that the RTA has established; and

(g) the Pace Suburban Service budget and plan is consistent with the goals and objectives adopted by the RTA in the Strategic Plan.

1.5 With respect to the proposed budget and financial plan submitted by Pace for ADA Paratransit service (as summarized in Schedule I-B), the RTA finds as follows:

- (a) the Pace ADA Paratransit Service budget and plan shows a balance between (i) anticipated revenues from all sources, including operating subsidies and application of Service Board fund balances, and (ii) the cost of providing the services specified and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- (b) the Pace ADA Paratransit Service budget and plan shows cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenses as incurred;
- (c) the Pace ADA Paratransit Service budget and plan provides for a level of fares or charges and operating or administrative costs for the public transportation provided by or subject to the jurisdiction of Pace sufficient to allow Pace to meet or exceed its required system-generated revenue recovery ratio, as set forth in Schedule I-C;
- (d) the Pace ADA Paratransit Service budget and plan is based upon and employs assumptions and projections which are reasonable and prudent;
- (e) the Pace ADA Paratransit Service budget and plan has been prepared in accordance with sound financial practices;
- (f) the Pace ADA Paratransit Service budget and plan meets the other financial, budgetary, or fiscal requirements that the RTA has established; and
- (g) the Pace ADA Paratransit Service budget and plan is consistent with the goals and objectives adopted by the Authority in the Strategic Plan.

1.6 Pursuant to Section 4.11 of the Act, the 2022 budgets and 2023-2024 financial plans for CTA, Metra and Pace, as presented in the attached Schedule I-B, are hereby approved.

1.7 As authorized by Section 4.11 of the Act, the RTA Board hereby directs that, no more than 40 days after the end of each fiscal quarter, each Service Board is required to report to the RTA its financial condition and results of operations and the financial condition and results of operations of the public transportation services subject to its jurisdiction, as of the end of and for such quarter, for review by the RTA for conformity with the approved budget for such period.

Section Two: RTA Budget and Financial Plan

The RTA Board has received and reviewed the proposed budget and financial plan of the Authority as summarized in Schedule I-A. The 2022 budget and 2023-2024 financial plan for the Authority is hereby approved and the RTA Board finds as follows:

- (a) The Authority budget and plan shows a balance between anticipated revenues from all sources and anticipated expenses, including the funding of operating deficits and the discharge of encumbrances incurred in prior periods and payment of principal and interest on outstanding indebtedness when due, as summarized in Schedule I-A.
- (b) The Authority budget and plan shows cash balances sufficient to pay with reasonable promptness all obligations and expenses as incurred, as summarized in Schedule I-E.
- (c) The Authority budget and plan shows that the level of fares and charges for public transportation provided by, or under grant or purchase of service contracts of, the Service Boards is sufficient to cause the aggregate of all projected system-generated revenues

from such fares and charges received in 2022, apart from ADA Paratransit services, to equal at least fifty percent (50%) of the aggregate cost of providing such public transportation in 2022, and at least ten percent (10%) for ADA Paratransit service in 2022, as required by the Act, and as summarized in Schedule I-C.

(d) The Authority budget and plan is based on and employs assumptions and projections which are reasonable and prudent.

(e) The budgeted administrative expenses of the RTA Agency, as defined in Section 4.01 (c) of the Act, do not exceed the maximum expenses permitted for 2022.

(f) The Authority budget and plan is consistent with the goals and objectives adopted by the Authority in the Strategic Plan.

Section Three: RTA ICE Program

The RTA Board has reviewed the set of 2022 projects proposed by the Service Boards and RTA for funding through the ICE program. The RTA Board hereby adopts the projects attached as Schedule I-F for ICE funding, subject to mutually agreed upon terms of grant agreements and continuing review by the RTA.

ARTICLE III ADOPTION OF THE FIVE-YEAR CAPITAL PROGRAM

Section One: Adoption of the Five-Year Capital Program

The RTA Board has received and reviewed the 2022-2026 Five-Year Capital Program presented by the Service Boards. The RTA Board hereby adopts the Five-Year Capital Program Revenues and Expenditures attached as Schedule II-A and Schedule II-B, subject to continuing review by the RTA.

Section Two: Prohibition on Capital Projects Not Included in the Program

Pursuant to Section 4.01 (h) of the Act, no Service Board shall undertake any capital improvement which is not identified in the Five-Year Capital Program.

Section Three: Applications for Federal and State Capital Grants, Loans and Other Funds

In accordance with Section 4.02 (b) of the Act, each Service Board is directed to provide notice to the RTA of its intent to file any application for federal or state capital grants, loans or other funds prior to making any such application, and to file a copy of any such application with the RTA. No Service Board shall apply for or receive any capital grant or loan unless it is identified in the RTA Five-Year Capital Program and is consistent with the RTA Strategic Plan.

Section Four: RTA Bond Projects

There is \$130 million in RTA bond proceeds programmed for 2023 to be used by the Service Boards to fund a set of projects that, upon completion, would have a weighted average useful life of at least 20 years for each Service Board or, when combined for the region as a whole, would have a weighted average useful life of at least 20 years. Additionally, the Service Boards must maintain, and provide to the RTA, the appropriate records necessary to satisfy any continuing disclosure requirements.

Section Five: Future Capital Allocations

For the last several years, the RTA and the Service Boards have been working together to articulate and advance a regional transit capital strategy. In the last two years, the RTA and the Service Boards were also focusing on moving capital projects forward, including the ones funded with new Rebuild Illinois and PAYGO funding. The RTA and the Service Boards have been working to improve the transparency of capital programming and the use of data to understand the impacts of the program on strategic priorities. For the last two years, RTA used new analyses incorporating Invest in Transit's core requirements and the three strategic goals for the five-year timeframe. RTA and the Service Boards collaborated to establish a new performance-based allocation methodology for Federal Formula and State PAYGO funds for years 2025 and 2026.

The July 15, 2021, RTA Ordinance directed RTA staff to collaborate with the Service Boards and develop a method to distribute funds determined to be withheld as a result of the application of capital expenditure performance metrics. Application of the capital expenditure performance metrics was applied only to fiscal years 2026 and beyond. Consensus on the method has not been reached at this time. Work on consensus will resume as part of next year's budget process. At this time, no funds have been withheld from the Service Boards as a result of the application of the 2026 capital expenditure performance metrics. Funds will not be withheld until a method of distribution is adopted by the RTA Board of Directors following a collaborative effort between the RTA and Service Boards.

ARTICLE IV APPROPRIATION OF FUNDS AND CERTAIN OTHER ACTIONS

Section One: Appropriation for Each Service Board

The following amounts for 2022 are appropriated for payment to each Service Board from the enumerated sources of funds and for the specified objects and purposes.

1.1 Statutory RTA Sales Taxes

There is appropriated, from the taxes collected under Section 4.03, for expenditure by each Service Board pursuant to the 2022 budget approved for such Service Board in Article II, the amount required by Sections 4.03.3 (a) and 4.03.3 (b) of the Act. The estimated amount of each appropriation is specified as "Part I Sales Tax Allocation" on Schedule I-D. After receipt by the RTA of the proceeds of taxes imposed pursuant to Section 4.03 of the Act, the Executive Director of the RTA shall provide for the payment to each Service Board the specified appropriation.

1.2 Statutory RTA Sales Taxes and Public Transportation Funds

- (a) There is appropriated, from taxes imposed pursuant to Section 4.03 of the Act and Public Transportation Fund receipts received pursuant to Section 4.09 of the Act, to Pace for expenditure for ADA Paratransit Services, the amount required by Section 4.03.3 (c). The estimated amount of the appropriation is specified as "Part II Allocation; RTA Total

for ADA Paratransit Service” on Schedule I-D. The RTA Board directs Pace to provide to the RTA any information requested by the Executive Director that is, in the judgment of the Executive Director, necessary to estimate the difference between (i) the projected final 2022 operating deficit of ADA Paratransit service and (ii) the total amount of funding from all sources estimated to be available for 2022 operations of ADA Paratransit service (such difference, the “Shortfall Amount”). The Shortfall Amount, if any, shall be established by the Executive Director prior to August 15, 2022 by examining the ADA Paratransit service year-to-date operating results through the second quarter of 2022, and, after being approved by the Chairman of the RTA Board and the Chairman of the Finance Committee of the RTA Board, shall be submitted to the RTA Board together with a certification from Pace that additional funds equal to the Shortfall Amount are necessary for 2022 ADA Paratransit service operations. Such certification shall be accompanied by a report describing Pace’s efforts to implement reasonable and appropriate cost savings and revenue raising measures related to ADA Paratransit service.

(b) There is appropriated, from taxes imposed pursuant to Section 4.03 of the Act and Public Transportation Fund receipts received pursuant to Section 4.09 of the Act, to Pace for expenditure for Suburban Community Mobility, the amount required by Section 4.03.3. The estimated amount of the appropriation is specified as “Part II Allocation; RTA Suburban Community Mobility Fund (SCMF) to Pace” on Schedule I-D.

(c) There is appropriated, from taxes imposed pursuant to Section 4.03 of the Act and Public Transportation Fund receipts received pursuant to Section 4.09 of the Act, to the Innovation, Coordination, and Enhancement (ICE) Fund the amount required by Section 4.03.3 (c). The estimated amount of the appropriation is specified as “Part II Allocation; RTA Innovation, Coordination & Enhancement (ICE)” on Schedule I-D.

(d) There is appropriated, from taxes imposed pursuant to Section 4.03 of the Act and Public Transportation Fund receipts received pursuant to Section 4.09 of the Act to each Service Board for expenditure pursuant to the 2022 budget approved for such Service Board in Article II, the amount required by Section 4.03.3 (c). The estimated amount of each appropriation is specified as “Part II Allocation; Remaining Balance to Service Boards” on Schedule I-D.

After receipt by the RTA of the proceeds of taxes imposed pursuant to Section 4.03 of the Act, and Public Transportation Fund receipts pursuant to Section 4.09 of the Act, the Executive Director of the RTA shall provide for the payment to each Service Board the specified appropriation.

1.3 Reduced Fare Reimbursement

There is appropriated, for expenditure by each Service Board pursuant to the 2022 budget approved for such Service Board in Article II, amounts received from the State of Illinois for reimbursement of revenues lost from providing reduced fare rides.

After receipt by the RTA of such funds from the State of Illinois, the Executive Director shall provide for the payment to each Service Board its proportionate share of the proceeds estimated to be received from the State identified as “State Reduced Fare Reimbursement” on Schedule I-

A; provided that such funds shall not be distributed to the CTA unless and until a unit or units of local government in Cook County (other than the CTA) enters or enter into an agreement with the CTA to make a monetary contribution for such year of at least \$5,000,000 for public transportation.

1.4 RTA Non-Statutory Funding - Public Transportation Fund, 15% Sales Tax, Other RTA Revenues

(a) There is appropriated, for expenditure by each Service Board pursuant to the 2022 budget approved for such Service Board in Article II, the amounts specified as “RTA Non-Statutory Funding – PTF I” and “RTA Non-Statutory Funding – Sales Tax I” on Schedule I-B. Pursuant to Ordinance 2021-52, approving the operations funding amounts for the 2022 operating budget and the 2023 - 2024 financial plan years, any amounts of PTF I received in excess of the PTF I receipts budgeted, as identified on Schedule I-A, shall be distributed to the Service Boards in the same proportion as the Service Board PTF I funds originally budgeted in that fiscal year. Any negative variance in PTF I receipts (i.e. receipts lower than anticipated) shall be borne by the Service Boards in the same proportion as the distribution of Service Board PTF I funds originally budgeted for that fiscal year. The Executive Director shall provide for the payment to each Service Board its share of “RTA Non-Statutory Funding – PTF I” and “RTA Non-Statutory Funding – Sales Tax I” provided that such funds shall not be distributed to the CTA unless and until a unit or units of local government in Cook County (other than the CTA) enters or enter into an agreement with the CTA to make a monetary contribution for such year of at least \$5,000,000 for public transportation.

(b) There is appropriated, for expenditure by Pace pursuant to the 2022 budget approved for Pace Suburban Service in Article II, the amount specified as “South Suburban Job Access Funds” on Schedule I-B from other receipts and revenues of the RTA.

(c) There is appropriated, for expenditure by each Service Board pursuant to the 2022 budget approved for such Service Board in Article II, or pursuant to the Five-Year Capital Program approved for such Service Board in Article III, the amounts specified as “Innovation, Coordination, and Enhancement (ICE) Funding” on Schedule I-B.

Subject to receipt by the RTA of sufficient proceeds of taxes imposed pursuant to Section 4.03 of the Act, and from the Public Transportation Fund receipts pursuant to Section 4.09 of the Act, the Executive Director is hereby directed to provide for the payment of such funds described in paragraphs (a), (b), and (c) as soon as may be practicable upon their receipt provided that each Service Board is in compliance with the requirements of Section 4.11 of the Act and this Ordinance.

Section Two: Appropriation to the Regional Transportation Authority

In 2022 there is appropriated, for expenditure for the operating purposes of the RTA (the “Agency”) the amounts specified on Schedule I-A as “Agency Administration” and “RTA Regional Services and Programs”, pursuant to the 2022 budget approved in Article II, from other receipts and revenues of the RTA.

In 2022 there is appropriated for transfer from the RTA's Fund Balance to the Joint Self-Insurance Fund (JSIF), funds to reimburse the insurance premium and associated fees for liability and terrorism insurance for the RTA System's Loss Financing Plan the amount specified on Schedule I-A as "RTA Joint Self-Insurance Fund (JSIF) Funding."

Section Three: 2022 RTA Funding and Budget Amendment

RTA staff is directed to prepare a 2022-2024 funding amendment for Board consideration during the first quarter of 2022 which provides an updated projection of RTA funding based on all economic conditions and State funding considerations known at that time. The Service Boards will be directed to respond within 30 days to such a funding amendment by providing revised 2022 operating budgets and 2023-2024 financial plans which rely solely on the amended funding levels, remaining CARES Act, CRRSAA, and ARP Act federal relief funding, and any supplemental ARP funding awards. In the event that the projected funding from these sources do not provide balance with the proposed operating expense levels adopted herein, the Service Boards shall be required to incorporate revenue or expense actions in the revised budgets as necessary to achieve balance with expected revenues.

**ARTICLE V
GENERAL**

Section One: Implementation and Dissemination

The Executive Director is authorized and directed to take appropriate action to implement and enforce this Ordinance and to prepare and disseminate the 2022 Annual Budget and Program of the RTA in accordance with the Act and the policies established herein. This shall specifically include the authority to enter into intergovernmental agreements (IGAs), Technical Services Agreements (TSAs), or other agreements necessary to apply for or effectuate grants for projects specifically authorized herewith in the Five-Year Capital Program.

The Executive Director shall be further authorized to execute and enter into other IGAs necessary to effectuate or implement powers and duties of the RTA, so long as those IGAs do not exceed \$100,000 in value and are subject to funds appropriated by the RTA Board.

Section Two: Organization of the RTA

The Executive Director shall organize the staff of the Authority, shall allocate their functions and duties, and shall fix compensation and conditions of employment. The Executive Director shall develop, and modify as may be necessary, Agency policies regarding travel, business and relocation expenses, consistent with the Local Government Travel Expense Control Act.

Section Three: Non-Waiver of RTA Authority

Nothing in this Ordinance is intended to or shall have the effect of (i) creating an obligation on the part of the RTA to provide funding to the Service Boards in excess of their respective statutorily allocated portions of the proceeds from taxes and State funds actually received by the RTA, nor (ii) waiving any discretion the RTA may have under law to amend the amounts appropriated to the Service Boards under the Ordinance, subject to compliance by the Service

Boards with terms and conditions established by the RTA. Furthermore, nothing in this Ordinance is intended to or shall have the effect of waiving any discretion the RTA may have under law to subject to review the determinations made in this Ordinance, including, but not limited to, setting recovery ratios for the Service Boards, establishing inclusions or exclusions of certain revenues or expenditures from the calculation of such recovery ratios, or determining the allowable uses of federal, state or local funds.

Section Four: Executive Director's Authority to Apply for Additional Funds

The Executive Director, and his or her designee, is authorized and directed to execute and file applications on behalf of the RTA with the United States Department of Transportation ("USDOT"), Federal Transit Administration ("FTA"), the Illinois Department of Transportation ("IDOT"), and any other funding agency (collectively the "Funding Agencies") for any monies available for funding of the RTA Annual Budget. The Executive Director, and his or her designee, is authorized to furnish such additional information, assurances, certifications, and amendments as the Funding Agencies may require in connection with such applications or the projects. The Executive Director, and his or her designee, is authorized and directed on behalf of the RTA to execute and deliver grant agreements and all subsequent amendments thereto between the RTA and the Funding Agencies. Further, the Executive Director, and his or her designee, is authorized and directed to take such action as he or she deems necessary or appropriate to implement, administer, and enforce said agreements and all subsequent amendments thereto on behalf of the RTA.

Section Five: Direction to File this Ordinance with Public Officials.

The Executive Director is authorized and directed to file the 2022 Budget and Program and a copy of this Ordinance with the Governor of Illinois, the Illinois General Assembly, the Comptroller of the State of Illinois, the Mayor of the City of Chicago and the Auditor General of the State of Illinois, along with an appropriate certification that this budget and program meet the requirements of the Act.