

CTA's budget needs millions to balance

By James H. Ewert Jr.
City Beat Editor

Last year the Chicago Transit Authority's budget deficit was \$55 million and the CTA proposed several "doomsday" plans that threatened to cut service and raise fares. The Illinois General Assembly reluctantly bailed out the CTA, but advised the transit authority not to ask for more funds in the future. Instead of a "doomsday" prophecy this year, the CTA calls the budget "Transit at a Crossroads," and is again asking the state for money, but this time twice as much.

Although the \$1.13 billion budget CTA president Frank Kruesi recommended on Oct. 12 does not include any service cuts or fare increases, it rests on \$110 million of additional public funds that the CTA has yet to acquire.

"I've made 10 sets of budget recommendations over the years I've been here as the president of the CTA, and there has never been a single year in which we were certain how much money we had, either from the state or from the federal government, in terms of funding," Kruesi said at the Oct. 18 CTA board meeting. "That's always been the case."

After the meeting Kruesi said he attended an event earlier in the day where Regional Transportation Authority chairman Jim Reilly talked about the need for CTA funding. The RTA oversees the Metra, Pace and CTA transit systems in Chicago and surrounding areas.

"A key theme of [Reilly's] was the fact that people in this region have invested substantially in transportation of all sorts, which is the reason [Chicago's] economy is as robust as it is," Kruesi said about Reilly's speech. "It is such a great place to live and work and visit and those investments will be continued because transit is a key part of that. It's been taken for granted for a long time."

Kruesi attributed the increase in necessary funds to high power costs and fuel prices which are 20

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Fight for treasurer heats up



Mauricio Rubio/The Chronicle

Republican candidate for Illinois State Treasurer Christine Radogno stares at her Democratic challenger Alexi Giannoulas during a debate Oct. 17 at Maggiano's Banquets, 111 W. Grand Ave.

Candidates spar on job qualifications, personal ethics

By Eric Kasang
City Beat Editor

With phrases like "right-wing extremist" and "association with organized crime" flying back and forth, the 90-second speeches

sounded like typical political banter between two candidates. The accusations this time came from the candidates running for Illinois treasurer at Oct. 17's City Club of Chicago-sponsored debate at Maggiano's Banquets, 111 W. Grand Ave.

While the treasurer's race walks in the shadow of the gubernatorial election, the campaign is

starting to heat up; yet, people may not realize the actual function of the treasurer's office. John Hoffman, chief spokesman for the Illinois treasurer's office said: "The basic job of the treasurer's office is to invest the state's money."

Hoffman said the department's overall yearly budget is \$48 billion. At any given time, the trea-

surer's office has \$12 billion invested in various financial institutions like banks. Hoffman noted that the amount of money flowing into the department fluctuates, but said more rolls in during tax time near April. The Illinois comptroller's office is responsible for spending the state's money.

Investing the state's money is not the only function of the treasurer's office. Hoffman said that current treasurer Judy Baar Topinka, who is running as the Republican gubernatorial candidate, has promoted a program that offers small business owners low-interest loans to help them create new jobs in Illinois. Hoffman noted that about \$800 million is marked to help small businesses.

As for digging Illinois out of its \$5 billion budget deficit, Hoffman said Topinka has obtained high rates of return or interest rates from various investments with the state's money during her time as treasurer.

Another part of the treasurer's office includes the unclaimed property division. Each year, the department publishes a list of unclaimed or abandoned assets, such as money and property,

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Ballot battles plague Cummings

Green party candidate battles legalities for state representative

By Chris Cascarano
Staff Writer

With only a handful of volunteers, Green Party candidate Kathleen J. Cummings entered this year's race for state representative in Illinois' 4th District against Democratic incumbent Cynthia Soto. Soto, who represents part of Chicago's West Side, including Humboldt Park, Logan Square and Wicker Park, challenged and defeated Cummings' attempt to be listed on the ballot.

As the Nov. 7 elections approach, Cummings is trying to get the Illinois state Supreme Court to hear her case and get her name listed on the ballot as a Green Party candidate.

At an Oct. 9 speech at the New World Resource Center, 1300 N. Western Ave., Cummings said she fulfilled all of the state's requirements to be on the ballot by obtaining enough signatures to meet the 5 percent of the past presidential election's votes from that district—1,531.

Cummings acquired about double the required signatures, but

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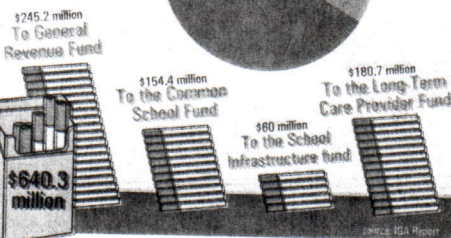
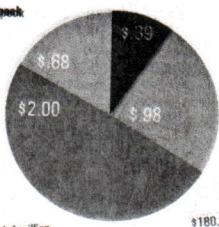
Kiethi Bishton/The Chronicle

Kathleen Cummings, Green Party candidate for state representative in Illinois' 4th district, stands in front of her honey bee hive and organic garden in Humboldt Park. Cummings is currently fighting to get her name on the Nov. 7 election ballot.

Cigarette taxes

On the \$4.05 taxed on each pack

■ Federal Rate
■ State Rate
■ Cook County Rate
■ City of Chicago Rate



Joshua Covarrubias/The Chronicle

Taking the hike for a cheaper smoke

Chicago, Cook County losing money to outside cigarette sales

By George Sleo
Staff Writer

Once a week Jeremy Cohen, a junior broadcast journalism major at Columbia, takes a trip out to Waukegan from his Lakeview apartment. Twenty-two-year-old Cohen has developed an addiction, and gets his fix substantially cheaper if he takes a 20-minute drive out to the north suburbs. He likes to leave at night because heavy daytime traffic just makes the whole process more frustrating. His drug of choice isn't marijuana, cocaine or heroin—it's nicotine, and \$40 of savings is what drives him to the suburbs every

week.

"What I get out [in Waukegan] is 10 packs of Newports for 34 bucks; it costs twice as much where I live," Cohen said. "I used to get my cartons online, but [those cigarettes] are all from Europe and don't taste the same."

With Chicago taxing each pack of cigarettes at \$4.05, averaging \$7.50 for a pack of smokes, the highest price in the nation, smokers are beginning to look elsewhere to purchase cigarettes. This trend is increasing revenue in neighboring counties and states, while decreasing sales in Cook County.

Making the trip to neighboring counties on a weekly basis saves Cohen more than \$31 a carton in taxes alone. These

cheaper taxes are causing Cook County smokers to purchase cigarettes elsewhere, therefore taking away sales from the cash-strapped county.

According to a report published by the Illinois General Assembly in April 2006, roughly 634 million packs of cigarettes were sold in the fiscal year 2006—that's almost 1.8 million packs a day purchased by Illinois citizens. That number has declined over the last four years by 21.4 percent because of Cook County's high tax on cigarettes, according to the report. Any further tax increases, either state or local, could jeopardize Illinois into losing more cigarette tax revenues, according to the report.

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Budget: CTA riders voice concerns about new projects

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percent higher than in 2005. He also noted in the increased budget the appearance of higher costs in the CTA's injuries and damage fund as well as substantially increased wages due to a labor arbitration award over the summer. Labor accounts for 70 percent of the CTA's entire operating budget.

Additionally, the budget forecast for 2009 project a significant jump in public funding needed, something CTA officials said will be dealt with when the time comes.

Despite this year's fare increase to \$2, rail system ridership has continued to grow while bus ridership declined. Overall, CTA ridership slowly surpassed 2005's ridership by 1 percent, or 5 million rides, according to the budget recommendations.

At the beginning of the CTA's meeting, South Side resident Dorothy Harris spoke during the public comment portion. Harris said she is fed up with the CTA's irregular service and dirty, overcrowded buses in the South Loop.

"For the longest time, the transit riders in the area have not been getting the service we deserve," Harris said vehemently to the board members. "[There are] dirty buses that come infrequently and when they do their packed to capacity."

Kruesi said after the meeting that the CTA is working to install and upgrade a better tracking sys-

tem to help pinpoint buses and provide more accurate due times for buses and trains, but said riders would not see the benefits for at least a year.

South Loop resident and bus rider Kathryn McKechnie agreed with Harris that the buses in the South Loop are infrequent at best. McKechnie, who takes the bus to school at the Illinois Institute of Art, 350 N. Orleans St., said sometimes the buses don't even stop when they go by.

"The other day I got on the bus after waiting 25 minutes and there were three other in a row behind it," McKechnie said. "The buses seem to travel with a pack mentality."

McKechnie said the CTA problems have remained the same since she moved to the area in 1997. She said she doesn't understand what the CTA's problem is, but wouldn't be opposed to another fare hike as long as better service could be guaranteed.

Lincoln Park resident Laura Norris said she opposes another hike because the CTA needs to make better use of its money before it asks the public for more. Norris, a regular Red Line rider, said just about every day there's some track work or glitch in the system that delays service.

"They've got all these problems with service all the time, but they're still starting new projects," Norris said. "Maybe instead of opening the new Pink Line, the CTA should've used some of that money to fix something rather than making something else that will need to be fixed in the future."

The problems for Norris and other Red and Blue Line riders might get even worse starting Oct.



Michael Jarecki/The Chronicle

Chicago resident Dorothy Harris speaks to CTA board members during a CTA board meeting on Oct. 18. Harris was upset about the bus system being unclear and unavailable to the South Side of the city during rush hour times.

23. At midnight, the CTA closed both the Red and Blue Line Washington Street el stations for two years. The closure is part of a renovation that will connect the subways to a planned rapid transit station within a new shopping center development at the famously dormant Block 37, 108 N. State St.

Aside from the Block 37 development, the CTA has had numerous problems with the Brown Line renovations and may face repercussions from the Blue Line derailment this past July that hospitalized many riders. On Oct. 17 dozens of passengers involved in the accident filed a lawsuit against the transit authority.

CTA chairman Carole L. Brown said after the meeting that the new budget is not a threat, but if they do not receive the additional

funds, the CTA will have to look into shrinking the size of the system and increasing fares to afford remaining functional.

"What we'd like to do is [talk] about enhancing service rather than reducing the size of the system, and the only way other than additional public subsidy that we could balance our budget would be making those choices and we're hopeful and optimistic that we won't have to make those choices," Brown said.

The CTA will hold its only public forum on the new budget recommendations Nov. 8 at 6 p.m. in the CTA boardroom, 576 W. Lake St.

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Michael Jarecki/The Chronicle

CTA Chairman Carole L. Brown and CTA president Frank Kruesi answer questions from the media after the CTA board meeting on Oct. 18.

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