



Regional Transportation Authority

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The six-county public
transportation system
serving northeastern Illinois

2013

**Summary Briefing of
Final Operating Budgets,
Two-Year Financial Plans and
Five-Year Capital Programs of the RTA,
Chicago Transit Authority (CTA),
Metra and Pace**

**Prepared by Department of Finance & Performance Management
January 2013**



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Letter from the Executive Director

2012 marked a promising year of ridership growth and expense stability in our regional transportation system. The RTA system will finish the year with the highest level of ridership in over 20 years; ridership growth that had stalled and dipped following the financial crisis of 2008 began to trend upward again in 2011 and 2012 as the economy slowly improved. High gasoline prices further encouraged people to consider use of public transportation and leave their cars at home. In 2012, annual ridership is projected to reach 663.4 million trips, an increase of 11% over the year 2000. The year was capped by the successful conclusion of labor negotiations with the CTA's trade and operating unions, agreements that will help reduce the long-term trajectory of expense growth in the region.

The RTA has continued to work collaboratively with the Service Boards on the Regional Priorities Initiative -- a strategic focus on improvements in efficiency and service enhancements for our customers. The first ever region-wide customer satisfaction survey, completed in 2011, told us that riders place a high priority on safety, customer information and communications, and knowledgeable employees able to assist them. These customer priorities represent key goal areas for the Service Boards and RTA operating programs. Advancements are occurring on regional trip planning technology and real-time travel information, interagency signage at key connection points between the CTA, Metra, and Pace, a new fare payment system on the CTA and Pace that will improve flexibility and convenience, a capital prioritization tool that will assist in the selection of capital investments to advance the system's State of Good Repair and reduce operating costs, expansion of the successful Bus on Shoulder program on the I-55/Stevenson Expressway, and development of transit signal priority treatments for appropriate bus corridors. Ongoing capital investments in rolling stock and infrastructure have contributed to the modernization of our system and improved the riding experience for our customers.

For the second year in a row, the Service Boards' operating budgets do not borrow from capital to fund operating programs, a mark of progress in fiscal responsibility and sustainability. Yet, the modest and halting pace of the economic recovery has created a challenging operating environment. The budgets of CTA and Metra incorporate reductions in the discounts for multi-trip fare instruments to achieve balanced budgets. The RTA continues to pursue funding for capital needs, our greatest single challenge at this point, as we strive to bring our aging infrastructure toward a State of Good Repair. The RTA has also initiated a study to review the allocation of public funding, to ensure that operating and capital funding is distributed equitably among the Service Boards.

The 2013 business plans represent the dedicated efforts of the Service Boards and RTA to move the region forward in a positive direction of cost containment, modernization, and responsiveness to customer priorities.

Sincerely,



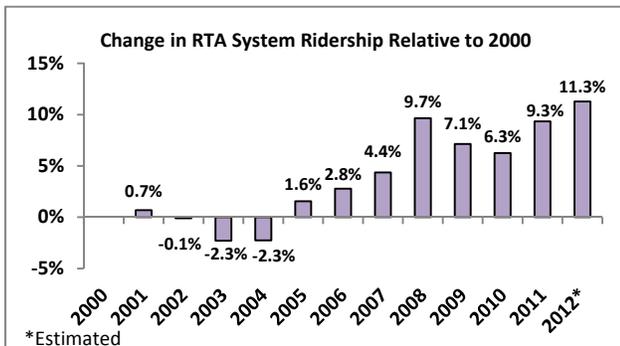
Joseph G. Costello
Executive Director

I. Environmental Outlook

A. RTA Region

Ridership

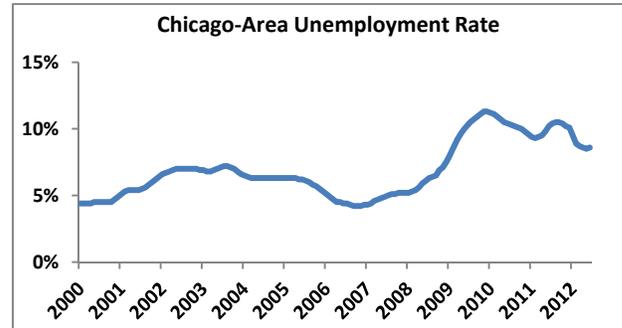
If current trends continue, the region's total ridership for 2012 will exceed the peak ridership levels achieved in 2008. The economic decline following the 2008 recession significantly decreased ridership, as the unemployment rate climbed and the number of jobs in the region fell. 2011 ridership grew by 2.9% over 2010 and in 2012, an improving economy and favorable weather conditions in the early part of the year have contributed to an estimated 1.8% growth in total ridership over 2011 to 663.4 million annual trips. For 2012, Pace and ADA paratransit are estimated to have the most significant ridership increases over prior year by 5.0% and 7.5%, respectively. The CTA is expected to experience a 2.1% increase in ridership, but Metra's ridership will be about 1.5% lower than prior year after implementing a general fare increase in February 2012 that raised fares by more than 25%.



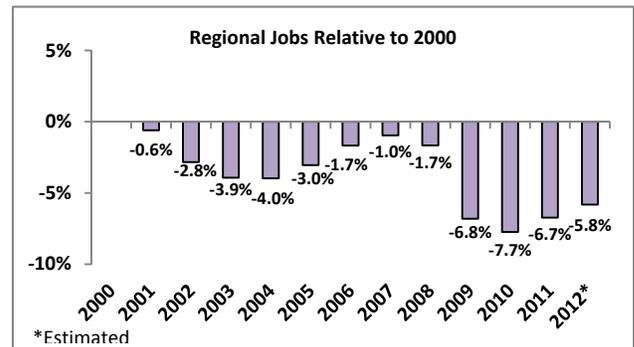
Regional Economy

Ridership trends are impacted by the regional employment outlook. Increases in transit ridership are correlated to periods of regional job growth.

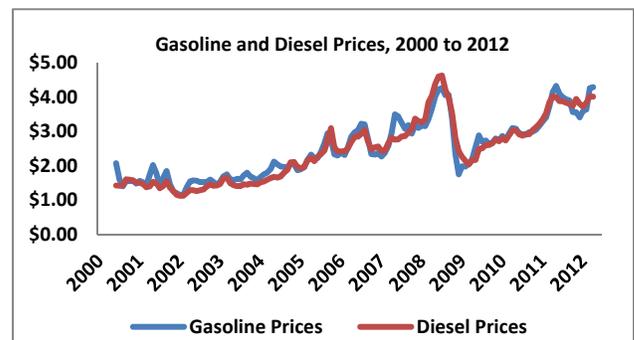
Chicago-area unemployment rates in the past ten years have ranged from 4.2% in the fourth quarter of 2006 to 11.3% in December 2009. Recent trends showed upticks each month for May, June and July, with the August 2012 unemployment rate up 0.1% from the prior month at 8.9%, which is still 1.6 percentage points lower than August of last year.



The availability of jobs in the Chicago region has remained below 2000 levels. As the chart below shows, jobs fell dramatically after the economic downturn in 2008 but have begun to recover in recent years. 2012 is projected to improve from 2011, yet with 5.8% fewer jobs than at the beginning of the millennium.



The price of gasoline also plays a significant role in the demand for public transportation services and high prices may have contributed to the Service Boards' ability to maintain ridership through the economic downturn. Fuel prices increased through 2008, then



dipped in 2009 and have since been rising steadily again, contributing to an increase in transit usage.

Sales Tax Diversion

The RTA system relies on sales tax for almost 40% of its total revenue. In an attempt to ensure it receives all sales tax it is due, the RTA filed a lawsuit against the villages of Channahon and Kankakee in August 2011 citing the towns for acting as tax shelters for local retailers thereby diverting sales taxes from the six-county area where a portion goes to the RTA. These businesses operate retail services in the six-county region and benefit from services provided by local governments including police, fire, public works and transit.

In support of the RTA and its suit against Channahon and Kankakee, Governor Quinn signed legislation in August 2012 requiring municipalities and counties to file reports detailing their sales tax rebate agreements with the Illinois Department of Revenue in an attempt to increase the transparency of these transactions.

System Renewal Bond Program

Achieving a State of Good Repair is the region's top priority. Maintaining bus and train infrastructure is essential to providing safe, reliable service. However, the level of capital investment necessary to achieve and maintain a State of Good Repair is massive and continues to grow. Projected funding from the State and Federal governments is expected to be less than what is necessary for required annual investments in system renewal. While the RTA and Service Boards work toward a long-term solution, the RTA continues to advance new and creative strategies to meet those challenges which affect the system today.

To that end, Chairman Gates and the RTA staff have proposed a \$2.5 billion capital bond program dedicated to State of Good Repair, with bond debt service to be paid with RTA sales tax revenue. This program will go toward the renewal and rehabilitation of vehicles, track and structure, and customer-impacting transit facilities. By introducing this new bond program, the RTA could significantly close the capital funding gap, which will help keep our backlog of capital needs from growing. To achieve this bond

program, the RTA plans to lobby the State Legislature to increase its bonding authority and streamline the Service Board funding formula, resulting in a more transparent regional allocation of public funds for operating and capital support. Capital funding could potentially become available for the Service Boards' 2014 capital programs.

2013 Regional Priorities Initiative

As the aftermath of the economic recession continues to create challenges in the funding of public transit, it is essential that the RTA focus on identifying areas for cost savings and improving efficiency while maintaining a commitment to enhancing public transit in the region.

The RTA has launched a series of five key priority initiatives intended to advance a collective vision for the region's transit system. The 2013 budget uses these priorities as a foundation.

- **Strategic Capital Investment** - Develop a strategic capital approach focused on identifying capital projects that could result in reductions in operating expenditures.
- **Economies of Scale** - Harness the RTA's and Service Boards' purchasing power to achieve cost savings and improved efficiency.
- **Maximize Use of the Transit System** - Provide a system-wide approach to improving coordination among services, access to reverse commute markets, and use of weekend and evening services.
- **Enhance the Customer Experience** - Focus on targeted capital and technology-related projects, interagency and way-finding signage, e-signage, service information, and fare payment coordination to best serve transit customers.
- **Coordinate Government Affairs, Marketing, and Outreach** - Create a unified marketing, outreach, and government affairs agenda among the RTA and Service Boards to improve customer communications and increase coordination and leveraging of partners and other stakeholders.

II. RTA Region

A. Operating Overview

The budgets summarized in this report represent the final RTA Board-approved budgets.

Overview

The RTA system is on track to end fiscal year 2012 within budgeted levels. Favorable operating revenues, driven by higher than budgeted ridership, will combine with higher than anticipated sales tax receipts to more than offset what is expected to be an unfavorable expense variance. Sales tax receipts are expected to exceed budget by 1%, and the Real Estate Transfer Tax (RETT) is anticipated to provide CTA with more than \$5 million of favorable variance from budget, helping to offset their unfavorable labor expense.

Although the regional economy continued to improve slowly in 2012 and ridership generally trended higher, the Service Boards were again faced with steadily rising operating expenses as they developed their 2013 budgets. The Service Boards have individually addressed this challenge by using a variety of approaches to seek out additional revenue.

After reaching tentative agreements with all of their major labor unions, CTA is proposing to increase passenger revenue by narrowing the discount on all passes, and bringing reduced fares up to 50% of full fare. Following a 25% general fare increase in 2012, the largest in their history, Metra is proposing a fare policy adjustment for 2013 which will increase passenger revenue by eliminating the discount on 10-ride tickets and pricing them at the same level as 10 one-way tickets. Pace Suburban Service will rely on increased federal funding sources to balance their operating budget, which features modest service expansions. Finally, Pace ADA Regional Paratransit has submitted a balanced 2013 budget, but has identified additional revenue requirements in the 2014 and 2015 plan years, contingent upon ridership levels.

Ridership

Regional transit ridership in 2013 is forecast at 651.9 million rides, a decrease of 1.7%, generally due to increased fare levels. 2012 ridership is expected to finish with growth of 1.8%, at more than 663 million rides, the highest level since 1990. By Service Board, Pace ADA Paratransit expects the greatest 2013 ridership increase at 5.9%, followed by Pace Suburban Service at 3.9%. After a 1.5% ridership decrease in 2012, Metra anticipates essentially flat ridership in 2013 due to their fare policy change. CTA anticipates a 2.4% decrease in 2013 ridership due to their extensive pricing adjustments on passes and reduced fares.

Ridership (in millions)	2011 Actual	2012 Estimate	2013 Budget
CTA	532.0	542.8	529.6
Metra	82.7	81.4	81.5
Pace	33.7	35.4	36.8
ADA	3.5	3.8	4.0
Region	651.9	663.4	651.9
Change:	+2.9%	+1.8%	-1.7%

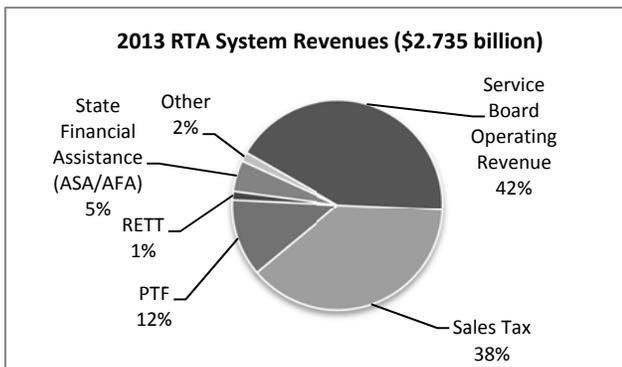
Operating Revenue

In 2013, the RTA system expects an operating revenue increase of 7.2% to \$1.144 billion, followed by increases of 4.6% in 2014 and 3.3% in 2015. Operating revenues consist of system-generated revenue such as passenger fares, concessions, and advertising, and also include the State reduced fare reimbursement, which compensates the Service Boards for mandatory free and reduced fare programs. The 2013 operating revenue increase is largely driven by increased passenger revenue, with CTA and Metra's proposed fare adjustments providing a 14 cent increase in system average fare. While about 85% of operating revenue comes from passenger fares, the Service Boards will continue to seek out other operating revenue sources such as the sale of advertising space and branding opportunities.

Public Funding

Almost 40% of the region’s revenues come from a regional sales tax imposed at 1.25% in Cook County and 0.5% in the collar counties. The economy has improved slowly in 2012, and as a result, RTA sales tax receipts are expected to exceed the 2012 budget by 1% and exceed the prior year by 3.4%. Based on national and local forecasts of economic growth, 2013 sales tax receipts in the RTA region are expected to increase more slowly than in 2012. The RTA projects 2.75% growth in 2013 sales tax receipts, totaling \$1.037 billion, followed by higher growth of 3.2% and 3.5% in 2014 and 2015, respectively. The State Public Transportation Fund (PTF), based on a 30% match of sales tax receipts, will grow at the same rate as sales tax, totaling almost \$322 million in 2013.

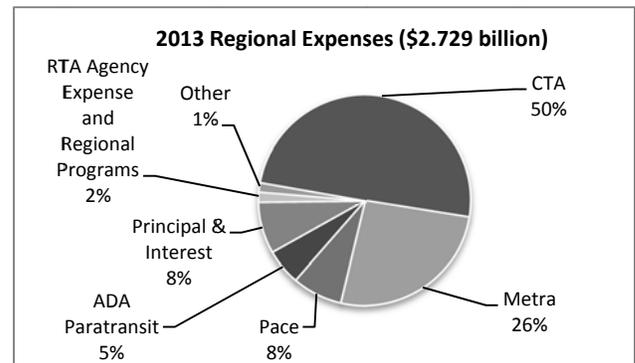
Overall public funding will increase by 3.6% to \$1.591 billion in 2013. The Real Estate Transfer Tax (RETT) will increase by about 2%, while other State public funding sources are projected to be generally flat versus 2012. RTA Regional Capital Project Reserves will increase by \$17.8 million due to discretionary allocations to CTA and Metra capital. RTA-generated revenue from regional programs and investments will be 11.8% lower due to reduced grant activity. When public funding is combined with operating revenue, a total of \$2.735 billion of revenue is expected to be available to offset 2013 regional operating expenses.



Expenses

Total expenses for the RTA region are expected to increase in 2013 by 5.4% over the 2012 estimate to \$2.729 billion, followed by increases of 2.7% and 3.2%

in 2014 and 2015, respectively. Expenses for 2013 Service Board operations, which comprise 89% of total expenses, are projected to increase by 6.1%, following a more modest 2.0% increase in 2012. The CTA projects a 6.6% increase in their 2013 operating expenses. Despite holding the line on labor costs and decreases in material and insurance and claims expenses, an overall expense increase is being driven by a snapback in their Other Expense category, which was temporarily reduced in 2012 by offsetting their Pension Obligation Bond (POB) debt service with the proceeds from the liquidation of their POB reserve fund. Pace Suburban Service will increase operating expenses by 7.8% due to service expansions and new technology requirements, while Metra expenses will increase by 4.2% related to fuel, contracted wage increases, and maintenance expenses. Pace ADA paratransit expenses are projected to increase by 8.2% due to ridership and contractor price increases. Finally, RTA Agency and regional expenses, which comprise the remaining 11% of total regional expenses and include debt service and RTA capital project funding, are expected to be virtually unchanged from 2012.



Recovery Ratios

The RTA Act requires the RTA Board to set a recovery ratio for each Service Board, as well as requiring that the combined revenues from RTA operations cover at least 50% of the system operating cost. This system ratio excludes ADA paratransit service, for which the Act requires a 10% recovery ratio. The CTA, Metra, and Pace Suburban Service 2013 operating budget proposals meet or exceed their individual RTA-specified recovery ratios of 52%, 53%, and 30%, respectively. The RTA regional recovery ratio for 2013 is projected at 55.9%, in compliance with the RTA Act.

Exhibit II.A.1: Regional Statement of Revenues and Expenses (dollars in thousands)

	2011	2012	2013	2014	2015
	Actual	Estimate	Budget	Plan	Plan
Service Board Revenues (1)					
CTA	612,317	637,769	700,037	729,599	746,907
Metra	303,300	360,638	371,938	392,838	412,538
Pace	55,221	56,886	59,165	60,396	61,687
ADA Paratransit	13,762	11,576	12,495	13,068	13,670
Total Operating Revenues	984,600	1,066,869	1,143,635	1,195,901	1,234,802
Public Funding (1)					
RTA Sales Tax	975,671	1,008,471	1,036,627	1,069,799	1,107,242
Public Transportation Fund (PTF)	305,395	313,191	321,848	332,250	343,813
Real Estate Transfer Tax (RETT)	34,734	35,500	36,200	37,700	38,800
Local Contributions (2)	-	5,000	5,000	5,000	5,000
State Financial Assistance (ASA/AFA)	130,088	130,071	130,167	130,283	130,283
Other State Funding	101,700	8,500	8,500	8,500	8,500
Federal Funds	98,597	2,599	6,262	8,187	8,432
RTA Regional Capital Project Reserves (3)	-	5,144	22,921	921	921
Other RTA Revenue (4)	23,550	26,502	23,376	23,618	23,974
Total Public Funding	1,669,735	1,534,977	1,590,902	1,616,258	1,666,965
ADA Paratransit Service Budget Balancing Actions (5)	-	-	-	3,803	8,399
Total Revenues	2,654,335	2,601,847	2,734,537	2,815,962	2,910,167
Service Board Expenses					
CTA	1,292,334	1,273,698	1,358,081	1,401,247	1,439,870
Metra	644,300	684,800	713,500	740,000	770,000
Pace	179,690	192,701	207,761	215,756	223,196
ADA Paratransit	128,109	137,516	148,762	159,952	172,303
Total Service Board Expenses	2,244,433	2,288,715	2,428,104	2,516,955	2,605,369
Region/Agency Expenses					
Principal & Interest	217,241	224,000	220,000	220,000	220,000
RTA Agency Expense and Regional Programs	36,224	43,624	41,690	43,024	44,530
Transfer Capital/Agency Regional Capital Program	10,200	15,690	22,000	4,319	4,243
Grant Incentive Program	-	2,162	1,615	1,787	1,763
ICE and JSIF	8,761	15,264	15,550	15,888	16,269
Total Region/Agency Expenses	272,427	300,740	300,855	285,017	286,804
Total Expenses	2,516,859	2,589,455	2,728,959	2,801,972	2,892,173
Total Revenues less Total Expenses	137,476	12,392	5,578	13,990	17,993

(1) Service Board Revenues include State Reduced Fare Reimbursement. Public Funding excludes State Reduced Fare Reimbursement.

(2) Beginning in 2012, statutorily required local contributions from the City of Chicago and Cook County will be reclassified from other operating revenue to public funding.

(3) Funds for Service Board or RTA Regional Capital Projects available from funds related to legal settlements from debt service deposit agreements, reprogrammed funds from completed RTA-funded projects, and 2011 RTA discretionary positive budget variance that has been designated for capital use by the RTA Board.

(4) Adjusted in 2012 to reflect the total of the Service Board estimates of annual Reduced Fare Reimbursement which was \$262 thousand less than the RTA 2012 estimate. Other RTA Revenue includes income from financial transactions and investments, sales tax interest, and revenues from RTA programs and projects.

(5) Additional revenue and/or funding needed to cover projected ADA Paratransit expenses.

RTA Regional Funding Analysis

Exhibit II.A.2 takes a different view of RTA finances, showing only those funds which are under RTA control and pass through the agency. This view excludes direct funding sources such as the Real Estate Transfer Tax (RETT) which is dedicated to CTA, and fare revenue, which each Service Board collects and accounts for individually. It also excludes federal funds that the Service Boards receive directly, such as federal CMAQ and JARC/New Freedom funding.

Total funding sources of the RTA are projected at \$1.578 billion in 2013, an increase of 3.4% over the 2012 estimate. Sales tax and PTF revenues are projected to increase by 2.75%, other State financial assistance and the State reduced fare reimbursement are projected to be unchanged from 2012 levels, and RTA Regional Capital Project Reserves will increase by \$17.8 million.

2013 RTA expenditures are projected at \$1.578 billion, an increase of 2.6% from 2012. Of this expense, \$220 million, or 14%, is for payments on regional debt

incurred by the RTA on behalf of CTA, Metra, and Pace which does not appear in the individual Service Board budget proposals. In 2013, RTA is also providing \$22 million from capital reserves to CTA and Metra for their capital programs, most of which resulted from higher than anticipated 2011 sales tax receipts.

In 1998, the RTA Board adopted an ordinance establishing a minimum unreserved and undesignated fund balance at the end of the three-year planning period of at least 5% of operating expenditures. Due to the aforementioned transfer of funds to the Service Boards for capital purposes and the allocation of all available 2013 discretionary funding to the Service Boards for operating purposes, the RTA fund balance is forecast to end 2013 at only \$1.5 million, and is currently projected to reach only 1.0% of operating expenditures by the end of the three-year period. This gradual increase towards the 5% minimum is planned in order to avoid a sharp reduction in Service Board discretionary funding precipitated by funds flowing to the RTA fund balance. Achievement of the 5% fund balance represents a key financial goal of the RTA in upcoming years.

Primary RTA Public Funding Sources

RTA Sales Tax Part I: The original RTA sales tax, levied at 1.0% in Cook County and 0.25% in the collar counties of DuPage, Kane, Lake, McHenry, and Will. 85% of Sales Tax I receipts are distributed to the Service Boards according to a statutory formula. The remaining 15% of Sales Tax I is initially retained by the RTA to fund regional and agency expenses before being allocated at the discretion of the RTA Board.

RTA Sales Tax Part II: Authorized by the 2008 funding reform, an additional sales tax of 0.25% in all six counties of the RTA region. Sales Tax II is distributed to the Service Boards according to a statutory formula after deducting funds for ADA Paratransit, Pace Suburban Community Mobility (SCMF), and RTA Innovation, Coordination, and Enhancement (ICE).

Real Estate Transfer Tax (RETT): The 2008 funding reform also increased the City of Chicago RETT by \$1.50 per \$500 of property transferred, and dedicated this additional tax revenue to directly fund CTA operating expenses.

Public Transportation Fund (PTF) Part I: PTF Part I is State-provided funding comprised of a 25% match of Sales Tax I receipts. 100% of PTF I is retained by the RTA and combined with Sales Tax I to form the basis of discretionary funding.

Public Transportation Fund (PTF) Part II: PTF Part II, authorized by the 2008 funding reform, is State-provided funding equal to a 5% match of Sales Tax I receipts and a 30% match of Sales Tax II receipts and RETT receipts. PTF II is distributed to the Service Boards by a statutory formula.

State Financial Assistance: State-provided assistance to reimburse the RTA's debt service on Strategic Capital Improvement Program (SCIP) bonds. It consists of two components; Additional State Assistance (ASA) and Additional Financial Assistance (AFA).

State Reduced Fare Reimbursement: State-provided reimbursement to the Service Boards, via the RTA, to partially offset the cost of providing reduced fare and free ride programs mandated by law, including those for students, seniors, and disabled persons.

Exhibit II.A.2: RTA Statement of Revenues and Expenses (dollars in thousands)

	2011	2012	2013	2014	2015
RTA Funding Sources	Actual	Estimate	Budget	Plan	Plan
RTA Sales Tax I	719,849	744,630	765,108	789,591	817,227
RTA Sales Tax II	255,822	263,840	271,520	280,208	290,016
Public Transportation Fund (PTF - Part I)	181,428	186,158	191,277	197,398	204,307
PTF (Part II)	123,967	127,034	130,571	134,852	139,506
State Financial Assistance (ASA/AFA)	130,088	130,071	130,167	130,283	130,283
State Reduced Fare Reimbursement	31,997	34,070	34,070	34,070	34,070
State Funding for ADA Paratransit	8,500	8,500	8,500	8,500	8,500
State Funding for Debt Service per MOU (1)	10,200	-	-	-	-
RTA Regional Capital Project Reserves (2)	-	5,144	22,921	921	921
Other RTA Revenue	23,550	26,240	23,376	23,619	23,975
Total Funding Sources	1,485,401	1,525,686	1,577,510	1,599,444	1,648,804
RTA Expenses for Operations					
RTA Total Funds for CTA Operations	549,187	595,429	616,844	628,948	649,163
RTA Total Funds for Metra Operations	334,102	340,424	345,940	355,954	367,455
RTA Total Funds for Pace Suburban Service Operations (3)	135,429	140,398	143,534	148,373	153,077
RTA Total Funds for Pace ADA Paratransit Operations (4)	114,346	125,940	136,267	143,081	150,234
RTA Funding for Innovation, Coordination, and Enhancement	3,381	10,264	10,550	10,888	11,269
State Reduced Fare Reimbursement	31,997	34,070	34,070	34,070	34,070
RTA Agency Expense and Regional Programs	36,224	43,624	41,690	43,024	44,530
Total Use Of Funds	1,204,667	1,290,149	1,328,895	1,364,338	1,409,798
Debt Service, Capital & JSIF Expenses					
Principal & Interest	217,241	224,000	220,000	220,000	220,000
Transfer Capital RTA Funds to CTA	10,200	-	-	-	-
Transfer Capital RTA Funds to Metra	-	-	-	4,319	4,243
Transfer Capital RTA Capital Reserve Funds to CTA	-	-	15,000	-	-
Transfer Capital RTA Capital Reserve Funds to Metra	-	4,700	7,000	-	-
RTA Agency Regional Capital Program	-	10,990	-	-	-
Grant Incentive Program	-	2,162	1,615	1,787	1,763
RTA Joint Self-Insurance Fund	5,380	5,000	5,000	5,000	5,000
Total Debt Service, Capital & JSIF Expenses	232,821	246,852	248,615	231,106	231,006
Total Expenses	1,437,488	1,537,001	1,577,510	1,595,444	1,640,804
Fund Balance (unreserved/undesignated)					
Beginning Balance	7,318	34,815	1,500	1,500	5,500
Change in Fund Balance	47,913	(11,314)	(0)	4,000	8,000
Other Funding & Reserves	(20,416)	(22,000)	-	-	-
Ending Balance	34,815	1,500	1,500	5,500	13,500
Ending Balance as % of Total Expenses for Operations	2.9%	0.1%	0.1%	0.4%	1.0%
Regional Recovery Ratio	54.3%	56.6%	55.9%	56.5%	56.3%

(1) In accordance with a 2009 Memorandum of Understanding, State funding was guaranteed for two years and then set to end based on conditions defined in the MOU, which were achieved within the guarantee period, ending funding after 2011.

(2) Funds for Service Board or RTA Regional Capital Projects available from funds related to legal settlements from debt service deposit agreements, reprogrammed funds from completed RTA-funded projects, and 2011 RTA discretionary positive budget variance.

(3) Pace Suburban Service funding excludes projects funded with ICE funds awarded in 2008.

(4) Pace ADA Paratransit Service funding excludes budget balancing actions in 2014 and 2015.

B. Capital Overview

The RTA Act requires that the capital expenditures of the CTA, Metra and Pace be subjected to continual review so that the RTA may budget and expend funds available to the region with maximum efficiency. The RTA Board must adopt a five-year capital program every year which describes the nature, location, and budget by project and by fiscal year of all anticipated Service Board capital improvements. The capital programs are amended on a quarterly basis as appropriate. Public hearings are held in each county in the Northeastern Illinois region to inform the public and government officials of the RTA's capital development plans.

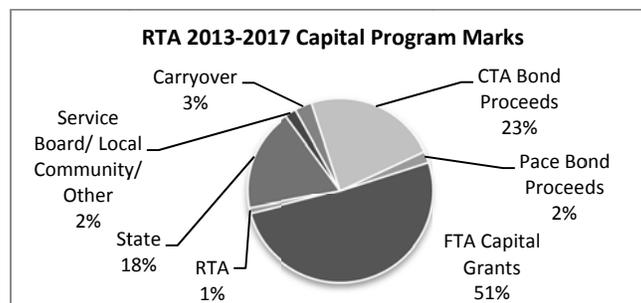
The RTA emphasizes the need to preserve and enhance the RTA system's valuable infrastructure, which includes bringing the system's \$142.2 billion in assets (as measured in terms of replacement value and including subway tunnels valued at \$100 billion) into a State of Good Repair and extending or expanding service when demand is justified and funding available. To maintain and preserve the existing system requires a capital investment of over \$1 billion per year.

Source of Funds

On October 10, 2012, the RTA adopted preliminary federal and state capital funding marks for 2013-2017. Some funding adjustments have been made subsequent to the marks adoption, which are reflected in the tables below. The funding sources for the RTA capital program include the U.S. Department of Transportation's Federal Transit Administration (FTA), Illinois Department of Transportation (IDOT), RTA, and Service Boards. Of the estimated \$4.374 billion of capital funding sources for 2013-2017, federal funding accounts for \$2.240 billion or 51%; CTA bond proceeds account for \$1 billion or 23%; State funds account for \$766.6 million or 18%; carryover funds from 2012 account for \$139.5 million or 3%; Pace bond proceeds account for \$100 million or 2%; Service Board and other funds account for \$97.1 million or 2%; and RTA funds account for \$30.6 million or 1% (Exhibit II.B.1). After CTA debt service and capitalized interest, an estimated amount of \$3.663 billion is available for 2013-2017.

Exhibit II.B.1: RTA 2013-2017 Capital Program Marks (dollars in thousands)

Capital Funding	CTA	Metra	Pace	Total
FTA Capital Grants	1,281,065	730,730	228,430	2,240,225
RTA	15,000	15,562	-	30,562
State Bonds	356,649	324,250	85,700	766,599
Service Board/ Local Community/ Other	24,343	47,576	25,150	97,069
Total New Capital Funding	1,677,057	1,118,118	339,280	3,134,455
Carryover (State Bonds)	139,532	-	-	139,532
CTA Bond Proceeds	1,000,000	-	-	1,000,000
Pace Bond Proceeds	-	-	100,000	100,000
Total Capital Funding	2,816,589	1,118,118	439,280	4,373,987
Debt Service (Federal)	(685,189)	-	-	(685,189)
Capitalized Interest	(26,200)	-	-	(26,200)
Total Capital Funding Available	2,105,200	1,118,118	439,280	3,662,598



The total estimated funds for capital projects in 2013 are \$1.093 billion. At this time, the final federal appropriation figures for 2013 have not been determined. Once this amount has been established, the capital program will be amended to reflect the available funding. Of the estimated \$1.093 billion of funding sources for 2013, federal funding accounts for \$485.2 million or 44%; State funds account for \$363.1 million or 33%; CTA bond proceeds account for \$175 million or 16%; Service Board and other funds account for \$47.8 million or 5%; and RTA funds account for \$22 million or 2% (Exhibit II.B.2). After CTA debt service and capitalized interest, an estimated amount of \$957.0 million is available for 2013.

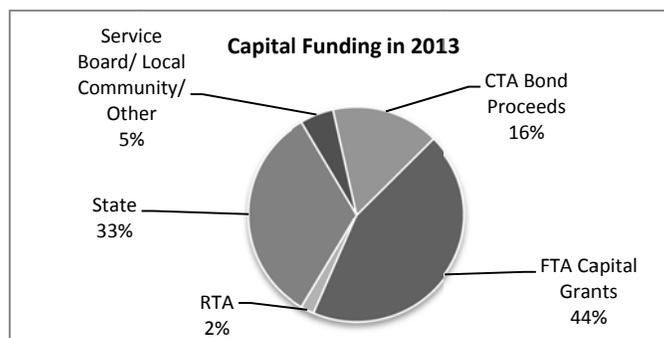
Despite the challenging economic times, critical progress was made in 2012 on our capital investment needs. The State of Illinois approved two measures – the “Jump Start” capital bill in April 2009 and the “Illinois Jobs Now” capital bill in July 2009. Combined, these two programs provide the RTA system with \$2.7 billion in capital funds. With these funds the RTA will be able to replace aging trains, buses, track, stations

and other infrastructure and improve the reliability of the system.

Later, in July of 2010, Governor Pat Quinn announced the state’s intention to award \$442.7 million of the “Illinois Jobs Now” funds towards mass transit infrastructure that specifically included funding for RTA capital projects to be implemented by the CTA, Metra, and Pace. These funds were included in the 2010 Capital Program. In addition, \$704 million was awarded to the CTA and Pace in 2012. Nevertheless, there is uncertainty regarding the timing of the availability of the balance of the \$2.7 billion originally appropriated for the program. A portion of these funds are dependent on bond authorizations that have yet to pass the General Assembly. In addition, sources for debt service on some of the bond funds are dependent upon new revenues in the State’s General Revenue Fund. However, encouraged by the award of State Bond funds through this year, the balance of the full \$2.7 billion State Bond program is programmed through 2014.

Exhibit II.B.2: Capital Funding in 2013 (dollars in thousands)

Capital Funding	CTA	Metra	Pace	Total
FTA Capital Grants	294,745	141,310	49,180	485,235
RTA	15,000	7,000	-	22,000
State Bonds	149,401	170,825	42,850	363,076
Service Board/ Local Community/ Other	24,343	6,300	17,150	47,793
Total New Capital Funding	483,489	325,435	109,180	918,104
CTA Bond Proceeds	175,000	-	-	175,000
Total Capital Funding	658,489	325,435	109,180	1,093,104
Debt Service (Federal)	(131,543)	-	-	(131,543)
Capitalized Interest	(4,600)	-	-	(4,600)
Total Capital Funding Available	522,346	325,435	109,180	956,961



Use of Funds

The primary emphasis of the 2013 Capital Program is to continue efforts to bring the system's assets to a State of Good Repair. When replacing worn out items, it is imperative to utilize modern technologies that often result in improved functionalities of equipment, facilities, and rolling stock. In addition, a balanced capital program is responsive to customer needs and shifting markets by including investment in system expansion.

For the 2013 Capital Program, 95% of the budget is allocated to capital projects that maintain the existing infrastructure. While the current funding level does not

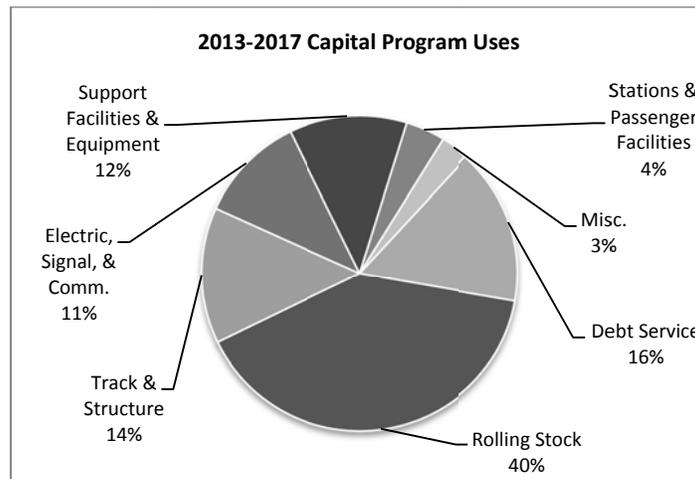
satisfy all needs, an appropriate balance of investment is achieved in light of the current condition of the RTA system.

Investments in the 2013-2017 Capital Program can be broken down by various asset categories. Exhibit II.B.3 shows that \$1.8 billion or 40% of the program is spent on rolling stock and \$599.4 million or 14% for track and structure, which are considered to have the greatest direct impact on transit users. Substantial investment in other infrastructure is also critical to maintaining safe, reliable transportation services. In addition, \$685.2 million or 16% is expended on CTA debt service.

Exhibit II.B.3: 2013-2017 Capital Program Uses (dollars in thousands)

Asset Category	CTA*	Metra	Pace	Total
Rolling Stock	1,252,919	268,853	232,310	1,754,082
Track & Structure	297,155	302,265	-	599,420
Electric, Signal, & Communications	230,464	231,161	1,900	463,525
Support Facilities & Equipment	205,960	137,310	185,780	529,050
Stations & Passenger Facilities	107,177	71,050	11,300	189,527
Miscellaneous	35,850	99,988	2,250	138,088
Acquisitions & Extensions	1,875	-	-	1,875
Contingencies & Administration	-	7,491	5,740	13,231
Total Capital Funding Available*	2,131,400	1,118,118	439,280	3,688,798
Debt Service	685,189	-	-	685,189
Total Capital Funding	2,816,589	1,118,118	439,280	4,373,987

* CTA expenditures do not include adjustments for capitalized interest



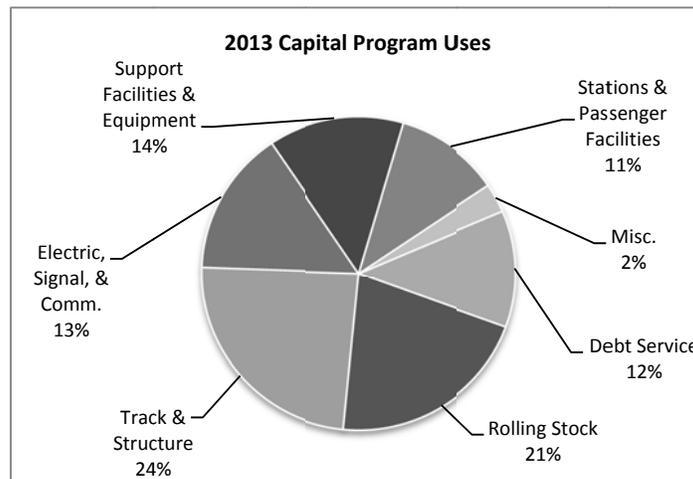
Investments in the 2013 Capital Program can also be broken down by various asset categories. Exhibit II.B.4 shows that \$233.2 million or 21% of the program is spent on rolling stock and \$265.0 million or 24% for

track and structure. In addition, \$131.5 million or 12% is spent on CTA debt service.

Exhibit II.B.4: 2013 Capital Program Uses (dollars in thousands)

Asset Category	CTA*	Metra	Pace	Total
Rolling Stock	122,733	33,700	76,740	233,173
Track & Structure	160,085	104,875	-	264,960
Electric, Signal, & Communications	82,212	77,381	500	160,093
Support Facilities & Equipment	86,756	39,219	27,600	153,575
Stations & Passenger Facilities	66,594	47,050	2,700	116,344
Miscellaneous	6,690	21,850	250	28,790
Acquisitions & Extensions	1,875	-	-	1,875
Contingencies & Administration	-	1,360	1,390	2,750
Total Capital Funding Available*	526,946	325,435	109,180	961,561
Debt Service	131,543	-	-	131,543
Total Capital Funding	658,489	325,435	109,180	1,093,104

* CTA expenditures do not include adjustments for capitalized interest

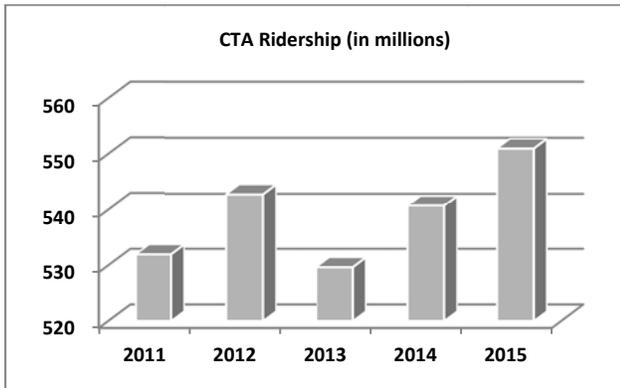


III. CTA

A. Operating Overview

Ridership

In 2013, the CTA is decreasing the discount provided on its passes and increasing the price of reduced fares. The CTA will also be performing major reconstruction on the Dan Ryan Branch of the Red Line. As a result, 2013 ridership is budgeted to decrease over the 2012 estimate by 2.4% to 529.6 million. Bus ridership is forecasted to decrease by 2.7% and rail ridership is expected to decrease by 2.0%. Overall CTA ridership is then anticipated to increase by 2.1% and 1.9% in 2014 and 2015, respectively.

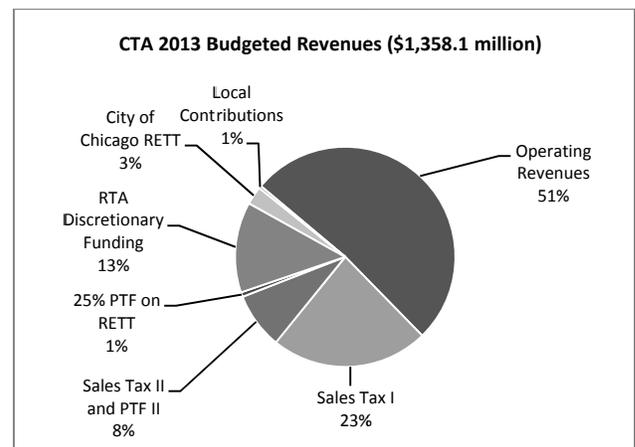


Fares

For 2013, the CTA is reducing the discounts that they currently provide on all pass options. The 1-Day Pass will increase from \$5.75 to \$10.00. The 3-Day Pass will increase from \$14 to \$20, the 7-Day Pass will increase from \$23 to \$28, and the 30-Day Pass will increase from \$86 to \$100. Additionally, the CTA will increase their reduced fares, bringing them in line with the statutorily intended level of 50% of full fare. Student fare prices will decrease about 12%, and in mid-2013 the CTA will impose a \$2.75 surcharge for individuals that purchase a full fare card at the O'Hare Blue Line station. Otherwise, base fare prices for both rail and bus will remain unchanged. These pricing adjustments are expected to increase CTA's average passenger fare by 14 cents in 2013, resulting in \$62.3 million of additional passenger revenue.

Operating Revenue

As a result of the changes proposed to the CTA's fare policy, and in spite of decreases in ridership due to the fare increase and the Red Line reconstruction project, the CTA estimates total operating revenues will increase by 9.8% over the 2012 estimate to \$700.0 million. Total operating revenue is then expected to increase by 4.2% and 2.4% in 2014 and 2015, respectively. In 2013, passenger revenues associated with the higher fare prices are expected to more than offset any decreases associated with ridership loss. Total passenger revenue is expected to increase by 11.3% or \$62.3 million over the 2012 estimate. The State reduced fare reimbursement is projected to increase slightly to \$28.3 million for 2013 and other revenue is expected to decrease by 0.4% to \$60.4 million. Within the other revenue category, the CTA anticipates an increase in advertising, charter, and concessions revenue of \$2.4 million.



Public Funding

The RTA marks (sales tax, Public Transportation Funds, and discretionary funds) are estimated at \$616.8 million in 2013, \$628.9 million in 2014, and \$649.2 million in 2015. When the Chicago Real Estate Transfer Tax (RETT) funding component of \$36.2 million and \$5.0 million of statutorily required local contributions

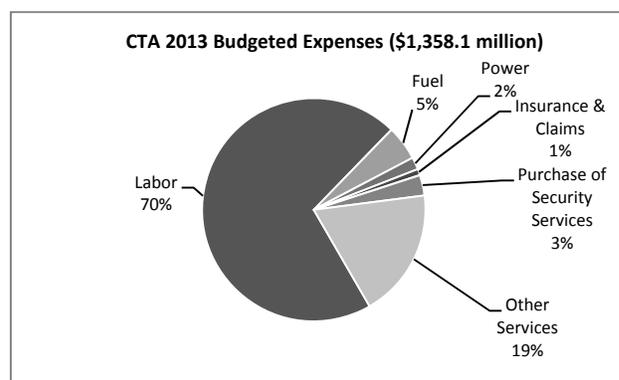
from the City of Chicago and Cook County are included, total public funding for 2013 is \$658.0 million, 3.5% higher than the 2012 estimate. Increased operating revenues will allow the CTA to avoid transferring funds from capital to operations in 2013 and the financial planning years of 2014 and 2015.

Expenses

The CTA projects that total expenses will increase by 6.6% from the 2012 estimated level to \$1.358 billion in 2013. This increase follows a decrease in expenses of 1.4% in 2012. In 2012, the CTA was able to substitute a bond insurance policy for a reserve fund related to their pension obligation bond, allowing them to liquidate approximately \$80 million for operating purposes. The CTA had also anticipated that successful labor negotiations would net them an additional \$80 million in savings.

The CTA began reaching agreements with its labor unions in the beginning of the fourth quarter of 2012. On November 19, 2012 the CTA reached a tentative agreement with the Amalgamated Transit Union which was later ratified by its voting members and as a result, the CTA labor budget for 2013 is \$6.0 million or 0.6% lower than their 2012 estimate; \$44.2 million lower than their budgeted labor cost in 2012 without the proposed savings and \$49.5 million lower than the 2013 plan presented with their 2012 budget. The CTA has achieved savings in other expense categories as well, including a \$9.4 million or 14.1% decrease in material expenses that the CTA has largely attributed to greater fleet investment in their capital program that they have reported as an expense credit. Provisions for insurance and claims were significantly reduced in 2013, down \$12.2 million over the 2012 forecast, as the CTA will utilize a reserve accumulated in prior years to achieve a one-time savings in 2013. Purchase of

security services is anticipated to decrease by 3.6%, representing the implementation of a new intergovernmental agreement between the CTA and the Chicago Police Department. The other expense category is anticipated to increase by \$113.8 million or 88.2% over 2012 levels. Most of this increase is due to the liquidation of their Pension Obligation Bond Reserve Fund resulting in a one-time offset to pension debt in 2012 of \$80 million. The CTA has also budgeted an increase in contractual services for projects that will create efficiencies in fare collection, payroll processing, time keeping software, and supply chain modernization.



Net Result and Recovery Ratio

Net results for the 2013 budget and 2014 through 2015 plan show zero balances, with revenues equal to expenses, without the use of federal transfers from capital to operations. CTA's recovery ratio equals total operating revenues divided by total operating expenditures, less statutory exclusions for security and Pension Obligation Bond debt service. In 2013, the CTA's proposed budget projects a recovery ratio of 63.0% which exceeds the 2013 mark of 52.0%.

Exhibit III.A.1: CTA 2013 Budget and 2014-2015 Financial Plan (dollars in thousands)

	2011	2012	2013	2014	2015
Operating Revenues	Actual	Estimate	Budget	Plan	Plan
Passenger Revenue	527,853	549,000	611,281	636,272	648,997
State Reduced Fare Reimbursement	26,026	28,099	28,322	28,322	28,322
Other Revenue (1)	58,438	60,670	60,434	65,005	69,588
Total Operating Revenues	612,317	637,769	700,037	729,599	746,907
Public Funding					
Sales Tax I	296,033	304,474	314,646	324,714	336,079
Sales Tax II and PTF II	116,122	113,380	112,139	114,428	117,255
25% PTF on RETT	8,780	8,875	9,050	9,425	9,700
RTA Discretionary Funding	128,251	168,700	181,009	180,381	186,129
City of Chicago RETT	34,734	35,500	36,200	37,700	38,800
Local Contributions (1)	-	5,000	5,000	5,000	5,000
Transfer from Capital	35,000	-	-	-	-
State Fare Agreement	83,000	-	-	-	-
Total Public Funding	701,921	635,929	658,044	671,648	692,963
Total Revenues	1,314,238	1,273,698	1,358,081	1,401,247	1,439,870
Expenses					
Labor	893,834	924,885	918,875	932,721	962,674
Material	67,919	66,714	57,279	66,722	68,724
Fuel	57,273	65,238	65,342	67,302	69,321
Power	28,099	23,650	23,175	23,639	24,111
Insurance & Claims	15,000	24,000	11,792	24,744	25,733
Purchase of Security Services	36,815	40,175	38,734	39,896	41,093
Other Expenses	193,394	129,036	242,884	246,223	248,214
Total Expenses	1,292,334	1,273,698	1,358,081	1,401,247	1,439,870
Net Result	21,904	-	-	-	-
Recovery Ratio	57.3%	61.0%	63.0%	63.3%	62.8%

(1) Beginning in 2012, statutorily required local contributions from the City of Chicago and Cook County have been reclassified from Other Operating Revenue to Public Funding.

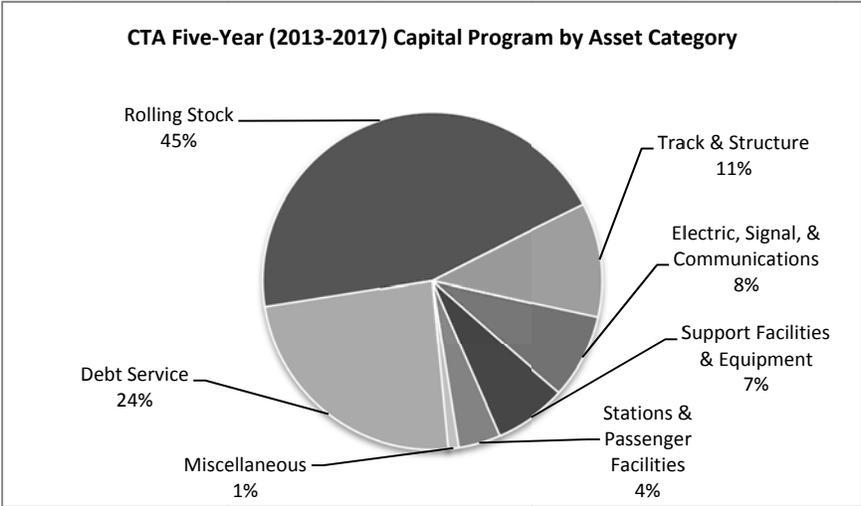
B. Capital Overview

The proposed projects in the CTA's portion of the 2013-2017 Capital Program total \$2.817 billion and continue the rehabilitation and replacement of their capital assets. The percentages for the general categories of capital improvements of the total program are: 45% for rolling stock, 24% for debt service, 11% for track and structure, 8% for electric, signal and communications, 7% for support facilities and equipment, 4% for stations and passenger facilities, and 1% for miscellaneous, contingencies and administration. The general categories of capital improvements comprising the CTA's portion of the Capital Program are illustrated in Exhibit III.B.1.

Highlights of projects included in the CTA's proposed 2013-2017 Capital Program are:

- \$497.2 million to replace rail cars
- \$320.4 million for the purchase of buses
- \$297.2 million for the repair of track and structure
- \$281.7 million for the rehabilitation and overhaul of rail cars
- \$204.0 million to replace/upgrade power distribution and signals
- \$189.1 million for the improvement of facilities
- \$143.7 million to perform mid-life bus overhauls
- \$107.2 million to rehabilitate rail stations
- \$26.4 million to implement security and communication projects

Exhibit III.B.1: CTA Five-Year (2013-2017) Capital Program by Asset Category: \$2.817 billion



C. CTA Five-Year Capital Program (dollars in thousands)

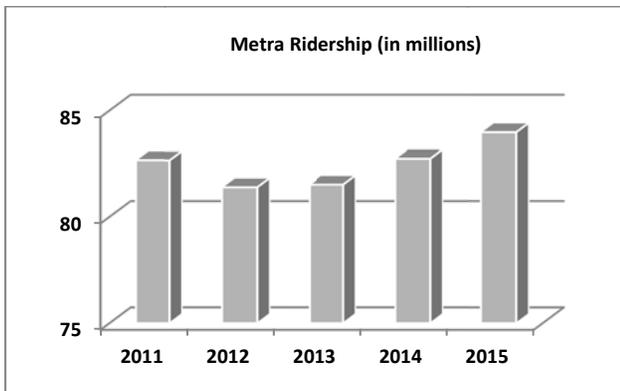
Project & Title	2013	2014	2015	2016	2017	TOTAL
Rolling Stock - Bus						
Perform Bus Overhaul and Maintenance Activities – Systemwide	0	2,500	2,500	2,500	2,500	10,000
Perform Mid-Life Bus Overhaul – Systemwide	30,981	112,673	0	0	0	143,654
Purchase Buses (Partial \$) – Systemwide	85,813	100,771	48,558	22,145	63,086	320,373
Subtotal Rolling Stock	116,793	215,945	51,058	24,645	65,586	474,027
Support Facilities & Equipment - Bus						
Improve Facilities – Systemwide	33,166	32,184	0	0	0	65,350
Subtotal Support Facilities & Equipment	33,166	32,184	0	0	0	65,350
Acquisitions & Extensions - Bus						
Perform Alternative Analysis – Western Avenue Corridor	1,875	0	0	0	0	1,875
Subtotal Acquisitions & Extensions	1,875	0	0	0	0	1,875
Bus Total	151,835	248,128	51,058	24,645	65,586	541,252
Rolling Stock - Rail						
Perform Rail Car Overhaul and Mid-Life Rehabilitation (2600 and 3200 Series, Partial \$) – Systemwide	2,190	0	265,754	0	0	267,943
Perform Rail Car Overhaul Activities – Systemwide	3,750	2,500	2,500	2,500	2,500	13,750
Replace 706 Rail Cars (2200, 2400 and 2600 Series, Partial \$) – Systemwide	0	393,103	104,095	0	0	497,198
Subtotal Rolling Stock	5,940	395,603	372,349	2,500	2,500	778,891
Track & Structure - Rail						
Repair Track and Structure – Systemwide	160,085	64,215	62,292	3,563	7,000	297,155
Subtotal Track & Structure	160,085	64,215	62,292	3,563	7,000	297,155
Electrical, Signal, & Communications - Rail						
Replace/Upgrade Power Distribution and Signals – Systemwide	77,977	32,336	48,715	45,000	0	204,027
Subtotal Electrical, Signal & Communications	77,977	32,336	48,715	45,000	0	204,027
Support Facilities & Equipment - Rail						
Improve Facilities – Systemwide	32,051	9,306	0	0	0	41,357
Subtotal Support Facilities & Equipment	32,051	9,306	0	0	0	41,357
Stations & Passenger Facilities - Rail						
Rehabilitate Rail Stations – Systemwide	66,594	29,834	0	3,900	6,849	107,177
Subtotal Stations & Passenger Facilities	66,594	29,834	0	3,900	6,849	107,177
Rail Total	342,647	531,293	483,356	54,963	16,349	1,428,607
Electrical, Signal & Communications - System						
Implement Security & Communication Projects – Systemwide	4,235	13,202	3,000	3,000	3,000	26,437
Subtotal Electrical, Signal & Communications	4,235	13,202	3,000	3,000	3,000	26,437
Support Facilities & Equipment - System						
Implement Computer Systems – Systemwide	3,600	2,684	0	1,058	1,058	8,399
Improve Facilities – Systemwide	14,940	23,063	6,188	19,055	19,110	82,355
Purchase Equipment and Non-Revenue Vehicles – Systemwide	3,000	3,000	0	0	2,500	8,500
Subtotal Support Facilities & Equipment	21,540	28,746	6,188	20,113	22,668	99,254
Miscellaneous - System						
Provide for Program Management – Systemwide	6,690	6,690	6,690	6,690	6,090	32,850
Implement CMAQ Projects	0	0	0	0	3,000	3,000
Subtotal Miscellaneous	6,690	6,690	6,690	6,690	9,090	35,850
System Total	32,465	48,638	15,878	29,803	34,758	161,541
CTA Total	526,946	828,059	550,292	109,411	116,693	2,131,400
CTA Debt Service	131,543	134,242	136,968	139,789	142,647	685,189
CTA Total with Debt Service	658,489	962,301	687,260	249,200	259,340	2,816,589

IV. Metra

A. Operating Overview

Ridership

Ridership is expected to decrease by 1.5% in 2012 as a result of a significant fare increase implemented in February as well as the end of the Seniors Ride Free Program in 2011. Metra expects flat ridership of 81.5 million in 2013 due to their fare policy adjustment, followed by 1.5% increases in 2014 and 2015.

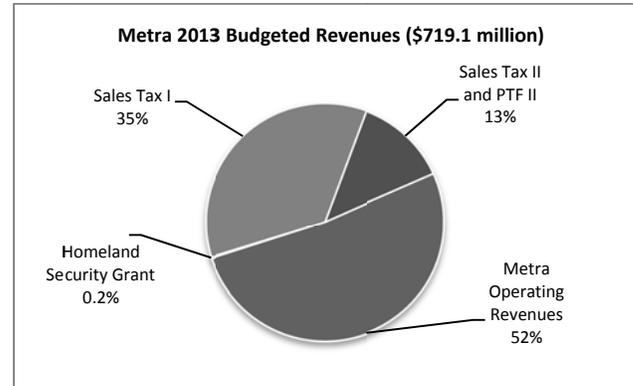


Fares

Metra has proposed a fare policy change for 10-ride tickets which would remove the discount embedded within those fare media. Metra is not proposing fare increases for the 2014-2015 plan years; however, fare adjustments will be considered in future budgets if there is a projected shortfall between anticipated revenues and expenses.

Operating Revenue

Metra projects that 2013 total operating revenues will increase 3.1% to \$371.9 million, followed by increases of 5.6% in 2014 and 5.0% in 2015. Passenger revenue is estimated to increase 4.1% in 2013, commensurate with ridership growth and the increase in ten-ride ticket pricing to equal ten single-ride fares, which is estimated to provide \$8.3 million in additional revenue. Metra forecasts other revenue to decline 2.5% in 2013, due to reductions in projects for other railroads and lower capital credits for the year.



Public Funding

The RTA marks (sales tax and Public Transportation Funds provided by statutory formulas) are \$345.9 million in 2013, \$356.0 million in 2014, and \$367.5 million in 2015. Additionally, Metra was awarded a Homeland Security Grant of \$1.2 million for each year from 2012 through 2014. The policy of transferring funds from capital to operating, which had occurred in past years through 2011, has been discontinued.

Expenses

Metra estimates that 2013 total expenses will increase 4.2% over the 2012 estimate to \$713.5 million, mostly due to signed labor agreements that will result in 3.7% wage increases. Diesel fuel expenditures, comprising approximately 11% of Metra's operating expenses, were largely contained in 2012 due to advance purchase agreements, and are projected to increase 3.9% in 2013. However, Metra has not yet secured agreements for diesel fuel supplies. Maintenance of Way and Maintenance of Equipment costs are projected to increase by 8.8% and 5.5%, respectively, in 2013, an increase from lower costs in 2012 related to the mild winter weather. Administration and regional services costs are projected to increase by 1% in 2013; Claims and Insurance is expected to decline 17.2% compared to the 2012 estimate as reserves are more fully funded. Motive electricity is projected to decrease 14.6% in 2013, resulting from a renegotiated contract with NICTD.

Net Result and Recovery Ratio

Metra's operating budget is balanced in 2013, with revenues covering expenses and producing a positive \$5.6 million net result that Metra has dedicated for capital projects. In 2014 and 2015, Metra anticipates additional passenger revenues which will produce net results of positive \$10 million in each year, again to be transferred for capital purposes.

Metra's 2013 through 2015 recovery ratios, calculated by dividing total operating revenue by total operating expenditures, with approved adjustments, exceed the RTA mark of 53%.

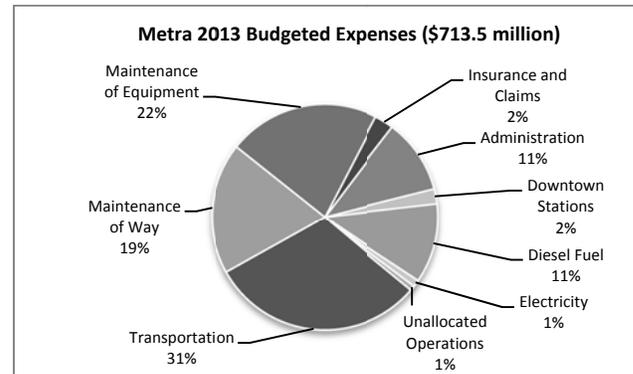


Exhibit IV.A.1: Metra 2013 Budget and 2014-2015 Financial Plan (dollars in thousands)

	2011	2012	2013	2014	2015
	Actual	Estimate	Budget	Plan	Plan
Operating Revenues					
Passenger Revenue (1)	245,500	305,900	318,500	339,700	358,400
State Reduced Fare Reimbursement	3,400	3,138	3,138	3,138	3,138
Other Revenue	54,400	51,600	50,300	50,000	51,000
Total Operating Revenues	303,300	360,638	371,938	392,838	412,538
Public Funding					
Sales Tax I	239,753	249,424	254,827	262,981	272,186
Sales Tax II and PTF II	94,349	91,000	91,113	92,973	95,269
RTA Discretionary	-	-	-	-	-
Transfer from Capital	60,000	-	-	-	-
Homeland Security Grant	-	1,200	1,200	1,200	-
Total Public Funding	394,102	341,624	347,140	357,154	367,455
Total Revenues	697,402	702,262	719,078	749,992	779,993
Expenses					
Transportation	206,700	214,300	219,500	228,000	237,400
Maintenance of Way	123,900	123,500	134,400	139,200	144,500
Maintenance of Equipment	137,100	148,100	156,300	162,700	170,000
Risk Mgmt, Insurance, Claims and Related	14,100	23,200	19,200	19,700	20,400
Administration and Regional Services	66,000	75,500	76,300	79,300	82,400
Downtown Stations	14,300	14,500	15,300	15,800	16,200
Diesel Fuel	73,800	77,500	80,500	82,500	85,000
Electricity	8,400	8,200	7,000	7,600	8,700
Unallocated Operations	-	-	5,000	5,200	5,400
Total Expenses	644,300	684,800	713,500	740,000	770,000
Net Result (2)	53,102	17,462	5,578	9,992	9,993
Recovery Ratio	54.9%	56.0%	55.4%	56.3%	56.7%

(1) Revenue growth in 2014 and 2015 associated with ridership growth of 1.5% and future fare decisions.

(2) Positive net results are either transferred to capital or added to cash reserves to help build a cash balance equivalent to six weeks of operating expenses, consistent with the Office of the Auditor General's recommendation.

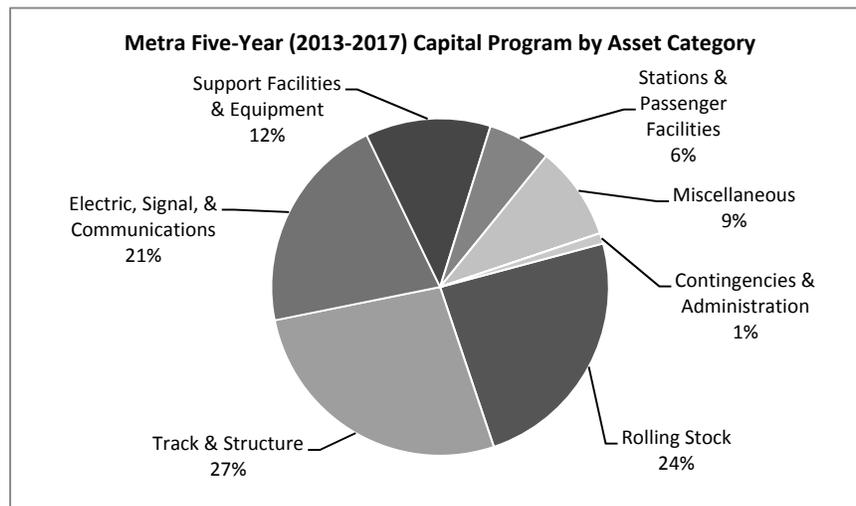
B. Capital Overview

Metra's portion of the proposed 2013-2017 Capital Program totals \$1.118 billion. During this five-year period, Metra will continue to renew its extensive commuter rail infrastructure and renew aging rolling stock. The percentage for the general categories of capital improvements of the total program are: 27% for track and structure, 24% for rolling stock, 21% for electric, signal, and communications, 12% for support facilities and equipment, 6% for stations and passenger facilities, and 10% for miscellaneous, contingencies, and administration. The general categories of capital improvements comprising Metra's portion of the Capital Program are illustrated in Exhibit IV.B.1.

Highlights of projects included in Metra's proposed 2013-2017 Capital Program are:

- \$236.1 million to rehabilitate or replace bridges
- \$166.0 million to install Positive Train Control (PTC) system
- \$116.4 million to provide locomotive improvements
- \$114.9 million to rehabilitate bi-level commuter cars
- \$71.1 million to rehabilitate and improve stations
- \$66.1 million to improve yards, shops, and facilities
- \$40.0 million for financial systems upgrade

Exhibit IV.B.1: Metra Five-Year (2013-2017) Capital Program by Asset Category: \$1.118 billion



C. Metra Five-Year Capital Program (dollars in thousands)

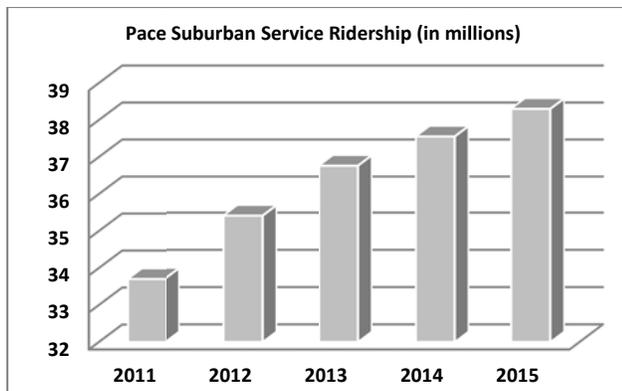
Project & Title	2013	2014	2015	2016	2017	TOTAL
Rolling Stock - Rail						
Provide Locomotive Improvements – MET	10,550	0	34,000	29,600	42,300	116,450
Rehabilitate Bi-level Commuter Cars – MET	18,500	25,150	25,000	19,300	27,000	114,950
Rehabilitate and Improve MU Electric Cars – MED	1,650	5,148	4,197	1,202	2,800	14,997
Overhaul Rolling Stock Fleet Components – MET	2,500	3,605	3,714	4,918	5,065	19,802
Convert Commuter Cars HVAC Refrigerant – MET	500	515	530	546	563	2,654
Subtotal Rolling Stock	33,700	34,418	67,441	55,566	77,728	268,853
Track & Structure - Rail						
Provide for Ties, Ballast & Surfacing – BNSF, MED, RID, UPR, MET	5,850	5,000	5,500	4,000	5,000	25,350
Upgrade Crossings (Road and Track) – MWD, UPR, MET	1,025	2,150	2,100	1,850	1,500	8,625
Provide for Rail Renewal – MWD, NCS, MET	900	4,090	4,200	4,750	4,900	18,840
Rehabilitate or Replace Bridges – BNSF, MWD, RID, UPR, MET	91,650	73,600	5,400	38,550	26,900	236,100
Provide for Construction for CREATE Project – MET	5,000	5,000	0	0	0	10,000
Provide for Structural Improvements – UPR, MET	100	0	300	300	800	1,500
Rehabilitate Retaining Walls – BNSF, MET	350	0	500	500	500	1,850
Subtotal Track & Structure	104,875	89,840	18,000	49,950	39,600	302,265
Electrical, Signal, & Communications - Rail						
Upgrade Signal System – BNSF, MET	3,475	0	1,000	1,000	1,000	6,475
Upgrade Interlockers and Crossovers – MWD, UPR, MET	7,000	6,900	4,000	2,000	2,000	21,900
Upgrade Interlockers and Crossovers – UPR, MET	2,000	0	0	0	0	2,000
Improve Electrical Systems – BNSF, MED, MWD, RID, MET	10,705	6,400	5,900	5,500	6,000	34,505
Provide for Communication Equipment – MET	0	0	0	0	250	250
Install Positive Train Control (PTC) System – MET	54,201	95,386	16,444	0	0	166,031
Subtotal Electrical, Signal & Communications	77,381	108,686	27,344	8,500	9,250	231,161
Support Facilities & Equipment - Rail						
Improve Yards, Shops and Facilities – BNSF, MED, UPR, MET	25,775	31,175	2,000	5,100	2,100	66,150
Upgrade Buildings – BNSF, MET	544	629	1,750	1,200	1,300	5,423
Purchase Equipment and Vehicles – MET	2,900	5,037	5,650	3,700	8,450	25,737
Replace Financial System – MET	10,000	10,000	10,000	10,000	0	40,000
Subtotal Support Facilities & Equipment - Rail	39,219	46,841	19,400	20,000	11,850	137,310
Stations & Passenger Facilities - Rail						
Improve Stations and Parking – MET	42,050	3,000	500	4,525	3,000	53,075
Rehabilitate Stations – MET	5,000	4,000	4,225	1,750	3,000	17,975
Subtotal Stations & Passenger Facilities - Rail	47,050	7,000	4,725	6,275	6,000	71,050
Miscellaneous - Rail						
Improve Metra System Security – MET	5,000	5,000	5,000	5,000	5,000	25,000
Implement Capital Projects – MET	10,850	11,669	11,669	7,350	7,350	48,888
Provide for Unanticipated Capital – MET	1,000	2,000	2,000	2,000	2,000	9,000
Provide for Capital Program Support Management and Engineering – MET	5,000	3,000	3,000	3,100	3,000	17,100
Subtotal Miscellaneous	21,850	21,669	21,669	17,450	17,350	99,988
Contingencies & Administration - Rail						
Provide for Contingencies – MET	560	600	600	789	942	3,491
Provide for Project Administration – MET	800	800	800	800	800	4,000
Subtotal Contingencies & Administration	1,360	1,400	1,400	1,589	1,742	7,491
Rail Total	325,435	309,854	159,979	159,330	163,520	1,118,118
Metra Total	325,435	309,854	159,979	159,330	163,520	1,118,118

V. Pace Suburban Service

A. Operating Overview

Ridership

On the heels of an expected ridership increase of 5.0% in 2012, Pace anticipates continued strong growth in 2013. Combined fixed-route, non-ADA paratransit, and vanpool ridership is projected to increase by 3.9% to 36.8 million. Pace forecasts subsequent ridership increases of 2.1% and 2.0% in 2014 and 2015.

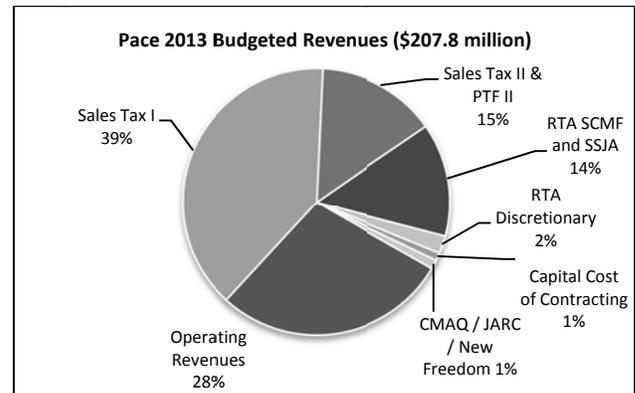


Fares

Pace has not proposed any general fare increases for 2013, or in the 2014-2015 planning period. However, passengers of vanpools originating in Indiana will be assessed a new surcharge of \$27 per month to offset the cost of tolls on the Indiana Toll Road and Chicago Skyway, which Pace had been absorbing. Pace's last fare increase was implemented in January 2009.

Operating Revenue

Pace projects that 2013 total operating revenues will increase 4.0% to \$59.2 million, followed by increases of 2.1% in both 2014 and 2015. Passenger revenue is estimated to increase 3.7% in 2013, commensurate with projected ridership growth. Other revenue is projected to increase 4.9%, driven by increased local government contributions and grant reimbursements, but growth in this category will then slow to 1.8% and 2.6% in 2014 and 2015, respectively.



Public Funding

Pace's public funding assumptions meet the RTA marks for sales tax, Public Transportation Funds, Suburban Community Mobility Funds, South Suburban Job Access Funds, and RTA discretionary funds. Total public funding will be \$148.6 million in 2013, \$155.4 million in 2014, and \$161.5 million in 2015. Pace is proposing to use \$2.8 million of Federal 5307 Capital Cost of Contracting funds in 2013 as a component of operating funding, an amount which increases to \$7.4 million by 2015.

Expenses

Pace projects that 2013 total expenditures will increase 7.8% to \$207.8 million, followed by increases of 3.8% and 3.4% in 2014 and 2015, respectively. Service expansions and technological improvements are driving the significant increase in 2013 expenditures. Pace will be adding three new Call-n-Ride operations, as well as expanding I-55 Bus-on-Shoulder service, service in Lake and Kane counties, and continuing to grow its vanpool programs. These service expansions, combined with a 2.9% wage hike, will increase labor/fringes, Pace's largest expense category, by 6.3%, while purchased transportation and fuel expenses increase by 7.7% and 9.5%, respectively. Operating costs for the new open standards fare system will add \$1.7 million to the 2013 budget.

Net Result and Recovery Ratio

Pace's operating budget is balanced by increasing Capital Cost of Contracting funding in 2013, 2014, and 2015, with revenues equal to expenditures, producing a net result of zero in each year.

Pace's 2013 through 2015 recovery ratios, calculated by dividing total operating revenue by total operating expenditures, with approved adjustments, exactly meet the RTA mark of 30%.

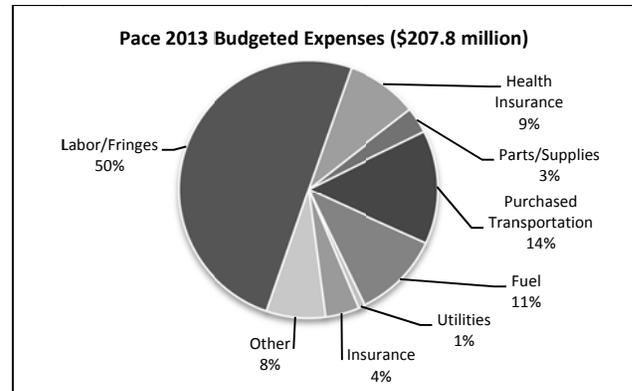


Exhibit V.A.1: Pace Suburban Service 2013 Budget and 2014-2015 Financial Plan (dollars in thousands)

	2011	2012	2013	2014	2015
	Actual	Estimate	Budget	Plan	Plan
Operating Revenues					
Passenger Revenue	34,651	35,979	37,310	38,204	38,990
State Reduced Fare Reimbursement	2,571	2,571	2,610	2,610	2,610
Other Revenue	17,999	18,336	19,245	19,582	20,087
Total Operating Revenues	55,221	56,886	59,165	60,396	61,687
Public Funding					
Sales Tax I	76,085	79,038	80,869	83,457	86,378
Sales Tax II and PTF II	31,449	30,333	30,371	30,991	31,756
Suburban Community Mobility Fund	19,860	20,527	21,100	21,776	22,538
South Suburban Job Access Fund	7,500	7,500	7,500	7,500	7,500
RTA Discretionary	535	3,000	3,694	4,649	4,905
Capital Cost of Contracting	2,000	-	2,778	5,538	7,352
CMAQ / JARC / New Freedom	1,597	1,399	2,284	1,449	1,080
RTA ICE Funds	38	-	-	-	-
Total Public Funding	139,064	141,797	148,596	155,360	161,509
Total Revenues	194,285	198,683	207,761	215,756	223,196
Expenses					
Labor/Fringes	91,594	97,888	104,086	107,258	110,451
Health Insurance	16,128	18,117	18,731	19,854	21,046
Parts/Supplies	5,901	6,412	6,729	7,022	7,368
Purchased Transportation	26,919	27,438	29,559	30,546	31,685
Fuel	20,252	20,903	22,883	23,360	24,136
Utilities	1,662	1,685	1,724	1,793	1,872
Insurance	7,752	8,537	8,750	9,144	9,610
Other	9,482	11,721	15,299	16,779	17,028
Total Expenses	179,690	192,701	207,761	215,756	223,196
Net Result	14,595	5,982	-	-	-
Recovery Ratio	36.0%	30.0%	30.0%	30.0%	30.0%

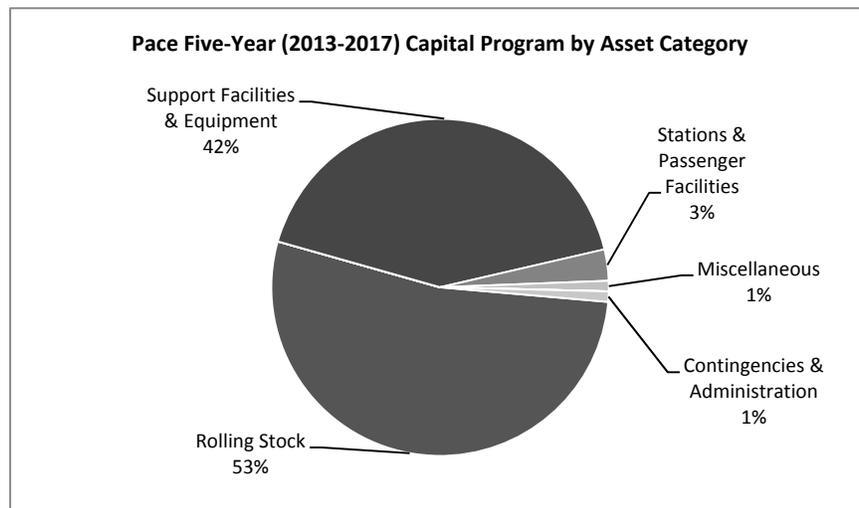
B. Capital Overview

Pace's portion of the proposed 2013-2017 Capital Program totals \$439.3 million. A majority of the funding is provided for the replacement of rolling stock. The percentage for the general categories of capital improvements of the total program are: 53% for rolling stock, 42% for support facilities and equipment, 3% for stations and passenger facilities, 1% for contingencies and administration, and 1% for miscellaneous. The general categories of capital improvements comprising Pace's portion of the Capital Program are illustrated in Exhibit V.B.1.

Highlights of projects included in Pace's proposed 2013-2017 Capital Program are:

- \$119.7 million for constructing and improving garages
- \$74.6 million for the purchase of CNG buses
- \$40.5 million for the purchase of paratransit vehicles
- \$32.4 million for the purchase of fixed-route buses
- \$27.3 million for I-90 corridor transit infrastructure
- \$21.6 million for the purchase of vanpool vans
- \$17.2 million for the purchase of Over the Road coaches
- \$12.4 million for diesel engine retrofits

Exhibit V.B.1: Pace Five-Year (2013-2017) Capital Program by Asset Category: \$439.3 million



C. Pace Five-Year Capital Program (dollars in thousands)

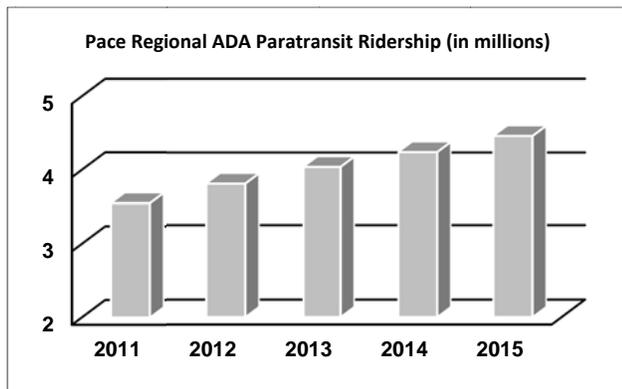
Project & Title	2013	2014	2015	2016	2017	TOTAL
Rolling Stock—Bus						
Purchase Approximately 150 40' CNG Fixed Route Buses – Systemwide	37,280	37,280	0	0	0	74,560
Purchase Approximately 28 Over the Road Coaches – Systemwide	17,150	0	0	0	0	17,150
Purchase Approximately 65 40' Fixed Route Accessible Buses – Systemwide	2,370	9,000	2,500	8,500	10,000	32,370
Purchase Approximately 476 Paratransit Vehicles (Replacement) – Systemwide	9,030	8,500	5,950	8,500	8,500	40,480
Purchase Approximately 10 Community Vehicles – Systemwide	0	850	0	0	0	850
Purchase Approximately 540 Vanpool Vans (Replacement) – Systemwide	5,600	4,000	4,000	4,000	4,000	21,600
Provide for Diesel Engine Retrofit – Systemwide	3,060	0	3,100	3,100	3,100	12,360
Provide for Associated Capital Items – Systemwide	250	0	1,000	1,000	1,000	3,250
Provide for Capital Cost of Contracting – Systemwide	2,000	5,538	7,352	7,400	7,400	29,690
Subtotal Rolling Stock	76,740	65,168	23,902	32,500	34,000	232,310
Electrical, Signal, & Communications—Bus						
Implement Arterial Rapid Transit (ART) – Systemwide	0	0	500	0	0	500
Purchase/Install Intelligent Bus System (IBS) and Mobile Data Terminals (MDT) – Systemwide	500	500	400	0	0	1,400
Subtotal Electrical, Signal, & Communications	500	500	900	0	0	1,900
Support Facilities & Equipment—Bus						
Construct/Improve Garages & Facilities – Systemwide	9,700	74,500	27,500	5,500	2,500	119,700
Improve Garages & Facilities – Systemwide	1,800	2,000	2,000	2,000	2,000	9,800
Provide for Transit Infrastructure – I-90 Corridor	0	12,500	14,780	0	0	27,280
Purchase Fare System – Systemwide	10,600	0	0	0	0	10,600
Purchase Replacement Farebox System – Systemwide	500	1,000	500	500	0	2,500
Purchase Computer Hardware and Software Systems – Systemwide	3,500	2,500	2,000	2,000	2,000	12,000
Purchase Maintenance/ Support Equipment and Vehicles – Systemwide	800	500	500	500	500	2,800
Purchase Office Equipment – Systemwide	700	100	100	100	100	1,100
Subtotal Support Facilities & Equipment	27,600	93,100	47,380	10,600	7,100	185,780
Stations & Passenger Facilities—Bus						
Reconstruct Passenger Facilities – Systemwide	0	500	500	500	500	2,000
Provide Consultant for Bus Stop Conversion – Systemwide	1,700	1,700	1,700	0	0	5,100
Install Shelters/ Signs/ Passenger Amenities – Systemwide	1,000	800	800	800	800	4,200
Subtotal Stations & Passenger Facilities	2,700	3,000	3,000	1,300	1,300	11,300
Miscellaneous—Bus						
Provide for Unanticipated Capital – Systemwide	250	500	500	500	500	2,250
Subtotal Miscellaneous	250	500	500	500	500	2,250
Contingencies & Administration—Bus						
Provide for Project Administration	1,390	1,152	1,098	1,060	1,040	5,740
Subtotal Contingencies & Administration	1,390	1,152	1,098	1,060	1,040	5,740
Bus Total	109,180	163,420	76,780	45,960	43,940	439,280
Pace Total	109,180	163,420	76,780	45,960	43,940	439,280

VI. Pace Regional ADA Paratransit

A. Operating Overview

Ridership

Following estimated growth of 7.5% in 2012, Pace's 2013 budget assumes that ADA paratransit ridership will increase 5.9% to 4.0 million. This strong demand is then expected to abate somewhat as Pace projects ridership growth of 5% in both 2014 and 2015.



Fares

Pace has not proposed any ADA paratransit fare increases in 2013. Its most recent fare increase became effective November 15, 2009, when Pace equalized ADA paratransit fares at \$3.00 region-wide.

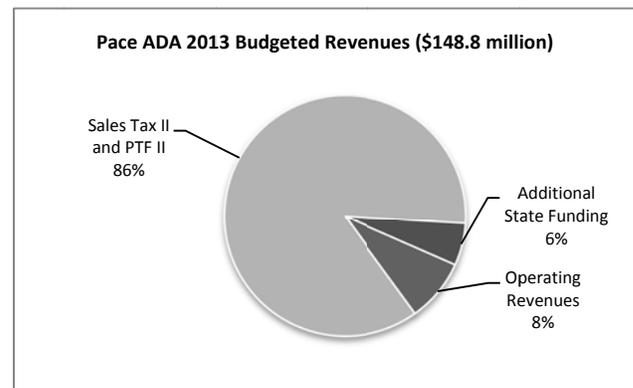
Operating Revenue

Pace projects that 2013 total ADA operating revenues will increase 7.9% to \$12.5 million, followed by increases of 4.6% in both 2014 and 2015. Passenger fare revenue is estimated to increase 6.0% in 2013, in line with higher ridership. Other revenue is expected to increase by almost 17% in 2013 as Medicaid reimbursements resume their growth following a year in which total operating revenues are expected to decrease by 16% due to lower 2012 reimbursements.

Public Funding

In their 2013 budget, Pace anticipates an ADA paratransit funding need of \$136.3 million, satisfied by

Sales Tax II and PTF II funds of \$127.8 million and additional State ADA funding of \$8.5 million. The RTA Act was amended in 2011 to ensure that ADA paratransit operations are fully funded each year. In addition to projected sales tax and State funding, Pace has estimated that it will require an additional \$3.8 million and \$8.4 million of funding in 2014 and 2015, respectively, in order to balance its ADA budgets.



Expenses

Pace projects that 2013 total expenditures for ADA paratransit will increase by 8.2% to \$148.8 million, followed by increases of 7.5% and 7.7% in 2014 and 2015, respectively. Purchased transportation, which accounts for 90% of total ADA expenses, is estimated to increase by 8.2% in 2013 due to continued strong ridership demand coupled with higher contractor rates. All other cost categories are projected to increase in 2013 with the exception of insurance expense and the Regional ADA Support Allocation.

The RTA Act requires the RTA to review current year ADA paratransit expenses at the time the following year's budget is prepared and determine if there will be sufficient funds available to balance those expenses. Pace's updated estimate of 2012 ADA paratransit costs is \$137.5 million, and additional State and RTA funding of \$10.9 million has been appropriated to fully meet the ADA funding need in 2012.

Net Result and Recovery Ratio

Pace's regional ADA paratransit operating budget is balanced in 2013, 2014, and 2015, with revenues equal to expenditures, producing a net result of zero in each year. However, Pace has identified the need for additional funding in plan years 2014 and 2015 to achieve this balanced budget.

Pace's 2013 through 2015 recovery ratios, calculated by dividing total operating revenue by total operating expenditures, with approved adjustments, meet the required mark of 10%. Pace's expense adjustment

comprises a portion of costs incurred in paying ADA paratransit contractors for their capital expenses.

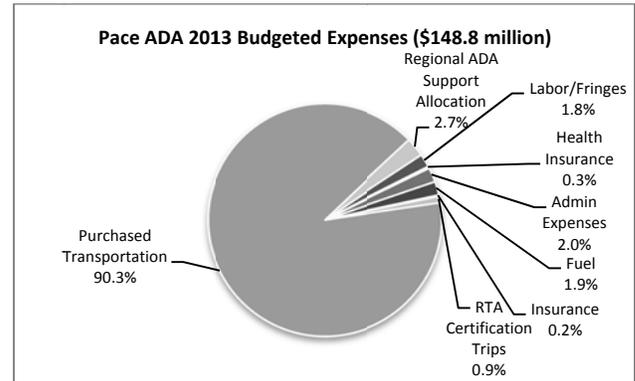


Exhibit VI.A.1: Pace Regional ADA Paratransit 2013 Budget and 2014-2015 Financial Plan (dollars in thousands)

	2011	2012	2013	2014	2015
	Actual	Estimate	Budget	Plan	Plan
Operating Revenues					
Passenger Revenue	8,873	9,482	10,047	10,549	11,076
Other Revenue	4,889	2,094	2,448	2,519	2,594
Total Operating Revenues	13,762	11,576	12,495	13,068	13,670
Public Funding					
Sales Tax II and PTF II	99,298	115,000	127,767	134,581	141,734
Additional RTA Funding (1)	6,548	2,440	-	-	-
Additional State Funding	8,500	8,500	8,500	8,500	8,500
Budget Balancing Actions (2)	-	-	-	3,803	8,399
Total Public Funding	114,346	125,940	136,267	146,884	158,633
Total Revenues	128,109	137,516	148,762	159,952	172,303
Expenses					
Labor/Fringes	2,414	2,645	2,727	2,797	2,878
Health Insurance	352	393	403	443	488
Admin Expenses	1,905	2,295	2,977	3,020	3,075
Fuel	2,512	2,559	2,816	3,010	3,258
Insurance	353	291	276	289	303
RTA Certification Trips	1,091	1,231	1,305	1,371	1,438
Purchased Transportation	115,666	124,110	134,309	144,972	156,696
Regional ADA Support Allocation	3,816	3,992	3,949	4,050	4,167
Total Expenses	128,109	137,516	148,762	159,952	172,303
Net Result	-	-	-	-	-
Recovery Ratio	10.7%	10.0%	10.0%	10.0%	10.0%

(1) Additional RTA funding from ICE fund in 2011 and from RTA fund balance in 2012.

(2) Additional revenue and/or funding needed to cover projected ADA paratransit expenses.

VII. RTA Agency

A. Operating Overview

Overview

The Regional Transportation Authority (RTA) is the oversight, funding and regional planning agency for the three Service Boards: Chicago Transit Authority (CTA) bus and rail, Metra commuter rail, and Pace Suburban Service and regional ADA paratransit.

The RTA's primary source of operating funding is a regional sales tax which is matched by the State of Illinois via the Public Transportation Fund (PTF). More than 85% of the public transportation sales tax collections pass directly through the RTA to the CTA, Metra and Pace according to pre-determined, statutory formulas. The remainder of the sales tax is initially retained by the RTA for discretionary distribution. A portion of this discretionary funding covers the RTA's own administrative costs, regional services and programs, and regional debt service expense.

The 2013 operating budget was developed in two parts in order to continue the RTA's support and advancement of the Regional Priorities Initiative. First is the *RTA Agency Administration Budget*, which includes the core agency expenses for staff, facilities, information technology, office services, and professional services to support the funding, planning and oversight mission of the RTA.

Second is the *RTA Regional Programs Budget*, which includes Regional Services provided directly to the public by the RTA such as ADA Certification, Travel Training, Travel Information Center, Customer Service Center, and Reduced Fare and Transit Benefit Programs. Regional Services also include the FTA and State required Rail Safety Oversight Program for CTA Rail. Finally, the Regional Programs Budget includes all of the RTA's grant funded projects and RTA funded regional studies and initiatives.

RTA Agency Administration Budget

In 2013, total Agency Administration operating revenue of \$8.3 thousand is projected to be \$0.5 thousand or 5.9% higher than the 2012 estimate due to increased

revenue from marketing and advertising. In 2014 and 2015, estimated Administration operating revenues reflect 3.2% and 3.5% growth, respectively.

In 2013, total Agency Administration operating expenses of \$18.4 million are \$389 thousand higher than the 2012 estimate. Agency Administration net expense (expense minus operating revenue) increases by only 2.2% in 2013 compared to the 2012 estimate. This increase in the administration budget reflects inflationary increases in employee benefits and office related expenses.

The Administration Budget of \$18.4 million accounts for 44% of RTA Agency expenses. This is well below the 2013 administrative cap of \$19.6 million set by the RTA Act. True administrative expenses would be even lower, if adjusted for agency staff support of regional projects.

RTA Regional Programs Budget

Total Regional Programs revenue, a combination of the Regional Services Operating Revenue and total federal grants for Regional Projects, is projected to be \$8.7 million in 2013. This amount is \$3.1 million or 26.5% less than the 2012 estimate as a result of reduced New Freedom and Job Access Reverse Commute (JARC) funding as well as fewer federally funded RTA initiatives. Estimated Regional Programs revenues in 2014 and 2015 also reflect 3.2% and 3.5% growth, respectively.

Total Regional Programs expenses, the sum of the Regional Services Operating Expense and the Grant and RTA Funded Project Expenses, of \$23.3 million comprise the remaining 56% of the total RTA Agency budget expenses. This amount is \$2.3 million or 9.1% less than the 2012 estimate as a result of reduced federal funding for RTA grant-funded projects. However, compared to the 2012 estimate, Regional Services (customer-focused operations) will experience strong growth of 14.5% to handle increases in ADA certification applications, the transition to the new CTA

open fare payment system for Free and Reduced Fare passengers, and additional expenses associated with the Rail Safety Triennial Review occurring in 2013.

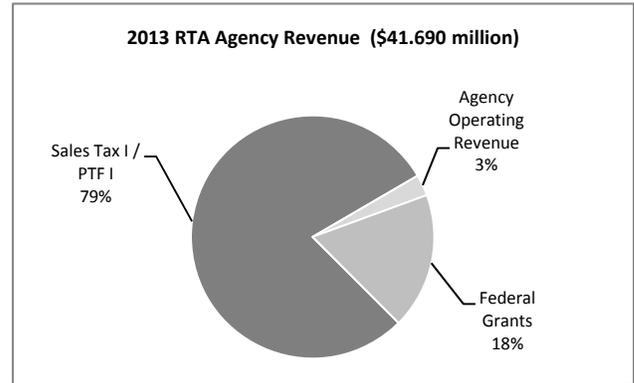
The total RTA Regional Programs net expense increases by 5.9% compared to the 2012 estimate. It emphasizes growth in Regional Services and the goals outlined by the Regional Priorities Initiative.

The overall RTA Agency net expense of \$32.974 million is projected to be 3.8% higher than the 2012 estimate. Estimated total 2014 and 2015 RTA Agency net expenses reflect 3.2% and 3.5% annual increases, consistent with inflation as well as revenue estimates.

Public Funding

The combination of operating revenue, grants, and public funding comprise total Agency revenue and together balance the overall RTA Agency Operating Budget expenses of \$41.7 million. In 2013, the total budgeted public funding from Part I Sales Tax and Public Transportation Fund (PTF) is \$32.974 million,

3.8% higher than in 2012. Public funding in 2013 represents 79% of total Agency revenue.



Regional Capital Programs

RTA Regional Capital Programs are ongoing in 2013 with no new funding sources. Work continues on the Regional Transit Signal Priority, Interagency Signage Expansion, Regional Integration of Real Time Information, and Downtown Connections programs.

Exhibit VII.A.1: RTA Agency 2013 Budget and 2014-2015 Financial Plan (dollars in thousands)

	2011 Actual	2012 Estimate	2013 Budget	2014 Plan	2015 Plan
RTA Agency Administration					
Operating Revenues	10	8	8	9	9
Operating Expenses	16,214	17,986	18,375	18,963	19,627
RTA Agency Administration Net Expense	16,204	17,978	18,367	18,955	19,618
RTA Regional Programs					
<i>Regional Services</i>					
Operating Revenues	1,641	1,335	1,166	1,203	1,245
Operating Expenses	13,537	13,075	14,615	15,083	15,611
Net Expense	11,896	11,741	13,449	13,879	14,365
<i>Grant and RTA Funded Regional Projects</i>					
Federal UWP/JARC/New Freedom Grants	3,122	10,508	7,541	7,783	8,055
Project Expenses	6,474	12,563	8,699	8,978	9,292
Net Expense	3,352	2,054	1,158	1,195	1,237
RTA Regional Programs Net Expense	15,248	13,795	14,607	15,075	15,602
Total RTA Agency Net Expense	31,451	31,773	32,974	34,029	35,220
Total RTA Agency Public Funding (Sales Tax I / PTF I)	31,451	31,773	32,974	34,029	35,220



**Regional
Transportation
Authority**

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