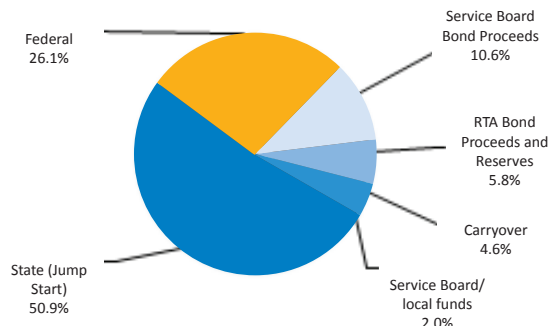


Regional Five-year Capital Program

2014 Capital Funding By Source (\$1.77 billion)



The RTA capital program emphasizes the need to preserve and enhance the region's transit infrastructure.

- The projected funding for capital projects in 2014 is \$1.77 billion.
- 2014 funding includes \$900 million in uncertain state "Jump Start" funding. The state legislature has not yet authorized issuance of bonds for this program.
- The five-year capital program includes \$4.7 billion in projected funding.

Chicago Transit Authority (CTA)

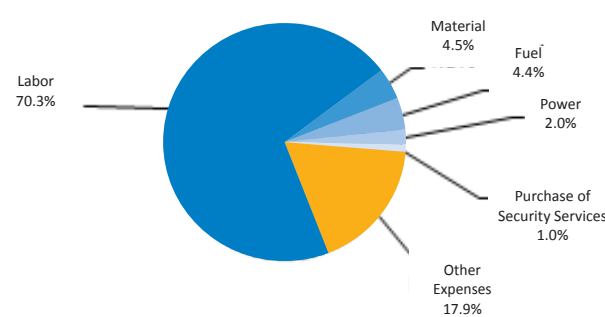
Operating Budget

Operating Revenue and Public Funding

- 2014 operating revenues will increase by 1.1% to \$671.0 million.
- Public funding from sales tax, Public Transportation Funds, the Chicago Real Estate Transfer Tax (RETT), and local contributions is projected at \$713.9 million for 2014.

Operating Expense

CTA 2014 Budgeted Expenses (\$1.39 billion)



- 2014 operating expenses will increase by 3.3% to \$1.39 billion, driven by increases in labor, material, electricity, and other expenses.
- CTA's system-generated revenue recovery ratio is projected at 58%, meeting the RTA-set goal of 54%.

Capital Program

The CTA's proposed projects in the RTA's 2014-2018 Capital Program total \$2.959 billion and continue the rehabilitation and replacement of capital assets. The CTA will move forward on key projects, including the rehabilitation of the Wilson Station and the development of Bus Rapid Transit (BRT) service on Ashland Avenue.

Highlights of projects in CTA's 2014-2018 Capital Program include the following:

- \$497.2 million for the purchase of rail cars
- \$352.4 million to upgrade power and signals
- \$265.1 million for the improvement of facilities
- \$237.6 million for the purchase of up to 500 buses (including clean diesel and hybrid)
- \$241.9 million for repair of track & structure
- \$173.6 million to rehabilitate rail cars
- \$168.8 million to rehabilitate rail stations
- \$147.1 million to perform bus overhauls

Metra

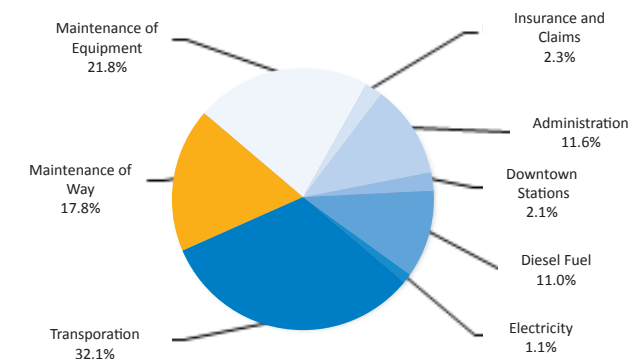
Operating Budget

Operating Revenue and Public Funding

- 2014 operating revenues will increase by 1.6% to \$364.2 million, consistent with projected ridership growth.
- Public funding from sales tax, Public Transportation Funds, and federal sources is projected at \$368.4 million for 2014.

Operating Expense

Metra 2014 Budgeted Expenses (\$728.6 million)



- 2014 operating expenses will increase by 3.5% to \$728.6 million, driven by increases in contracted services, maintenance, fuel and electrical expenses.
- Metra's system-generated revenue recovery ratio is projected at 53.1%, meeting the RTA-set goal of 53%.

Capital Program

Metra's proposed portion of the RTA's 2014-2018 Capital Program totals \$1.302 billion. During this five-year period, Metra will continue to replace aging rail cars and locomotives, and renew its extensive commuter rail infrastructure. A key component of Metra's plan to maintain an efficient fleet will be the purchase of 160 new Highliner cars for use on its Electric District.

Highlights of projects in Metra's 2014-2018 Capital Program include the following:

- \$173.5 million for locomotive improvements
- \$147.9 million for the rehabilitation of rail cars
- \$82.6 million for bridge rehabilitation and renewal
- \$60.4 million to modernize and upgrade interlockers
- \$46.0 million for the installation of Positive Train Control (PTC) system
- \$43.5 million to overhaul key components of the rail fleet
- \$38.1 million to upgrade the signal systems

Pace Suburban Service

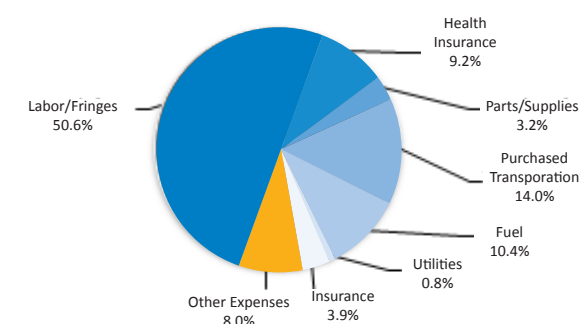
Operating Budget

Operating Revenue and Public Funding

- 2014 operating revenues will increase by 2.6% to \$58.5 million, consistent with projected ridership growth.
- Public funding from sales tax, Public Transportation Funds, and federal funding is projected at \$156.3 million for 2014.

Operating Expense

Pace 2014 Budgeted Expenses (\$214.8 million)



- 2014 operating expenses will increase by 6.7% to \$214.8 million, driven by increases in labor, material, purchased transportation, fuel, and other expenses.
- Pace Suburban Service's system-generated revenue recovery ratio is projected at 30%, meeting the RTA-set goal.

Capital Program

Pace's portion of the proposed 2014-2018 Capital Program totals \$359.7 million. Pace's Program emphasizes the need for the renewal and replacement of aging support facilities, as well as its commitment to implementing Compressed Natural Gas (CNG) technology.

Highlights of projects in Pace's 2014-2018 Capital Program include the following:

- \$60.5 million for the purchase of 135 buses
- \$60.0 million to construct NW Cook garage
- \$45.5 million to engineer and construct support facilities
- \$27.6 million for the purchase of 691 vanpool vehicles
- \$23.5 million for the purchase of 356 paratransit vehicles
- \$18.0 million for the purchase of 48 alternative fuel buses

Pace Regional ADA Paratransit

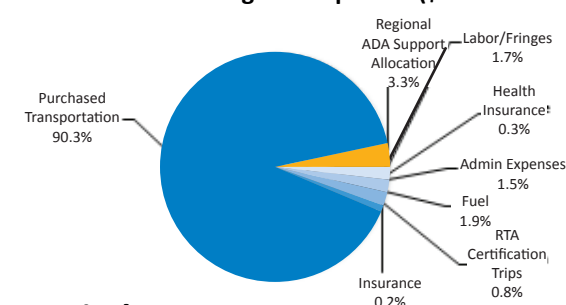
Operating Budget

Operating Revenue and Public Funding

- Total 2014 operating revenues will increase by 3.4% to \$12.9 million.
- Public funding from sales tax and the State is projected at \$147.2 million for 2014.

Operating Expense

Pace ADA 2014 Budgeted Expenses (\$160.1 million)



- 2014 operating expenses will increase by 7.6% to \$160.1 million, driven by increases in purchased transportation, administrative expenses, and fuel.
- Pace ADA Paratransit's system-generated revenue recovery ratio is projected at 10%, meeting the statutory requirement.

Capital Program

The Pace ADA Capital Program includes \$45.0 million for paratransit vehicles, a radio system, and support facilities that will be funded by the state "Jump Start" program when the state legislature authorizes bond issuance.

Regional Transportation Authority (RTA)

The RTA is the oversight, funding, and planning agency for the three Service Boards. The total RTA 2014 budget is \$38.6 million and is supported by \$34.0 million in public funding, which reflects a conservative increase of 3%, and \$4.6 million from federal grants and other revenues. The agency budget is made up of two parts: administrative and regional. The \$18.3 million administrative budget fulfills the mandates imposed by state law, including performing audits, financial oversight and regional planning functions. This portion of the budget is 11% lower than the cap imposed by state law on RTA administrative expenses. The \$20.3 million regional programs budget includes regional services provided to the public, such as ADA Certification, Travel Training, the Customer Service Center, and a newly enhanced Travel Information Center that answers more than 5 million calls annually.

Key initiatives in 2014 include:

- Broadening of training programs to increase mobility options for people with disabilities and senior citizens;
- Continued implementation of the regional Transit Signal Priority project to improve travel speed and reliability on high use Pace and CTA bus corridors.
- Issuance of \$100 million in bonds to support the Service Boards' capital programs to bring the region's aging transit system toward a State of Good Repair.
- Marketing initiatives to improve transit usage in reverse commute, off-peak, and suburban markets where the transit system has excess capacity.
- Creating a strategic marketing plan that will promote transit in DuPage County funded in part through a grant received by DuPage County.
- Aggressive pursuit of legal remedies to ensure that all businesses operating in the six-county RTA region pay their full share of sales taxes and that tax diversion schemes operated by municipalities outside the region are ended.

2014 Regional Budget Summary

CTA, Metra, Pace, ADA Paratransit, and RTA

2014 Budget Impact on RTA Customers

The Service Boards' 2014 operating budgets do not include any fare increases and service cuts.

- CTA and Metra will operate at a service level very similar to 2013.
- Pace Suburban service schedules will grow modestly as mid-2013 service additions are in place for their first full calendar year.
- Pace Regional ADA Paratransit will grow as required to meet customer demand for its service.

Ridership (in millions)

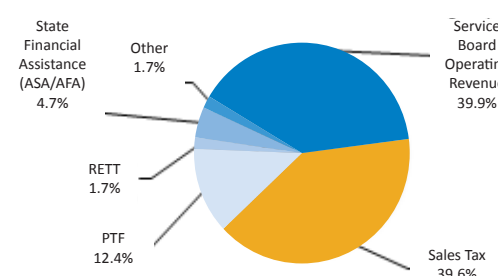
	2014 Budget	2014 Growth
CTA	534.6	+0.9%
Metra	82.7	+1.3%
Pace	37.0	+2.7%
ADA	4.2	+2.9%
Region	658.5	+1.1%

- Regional transit ridership in 2014 is forecast at 658.5 million rides, an increase of 1.1%.
- 2013 ridership is expected to finish the year with a 2.2% decrease from 2012, a result of CTA and Metra fare increases and the partial Red Line closure.

Operating Budget

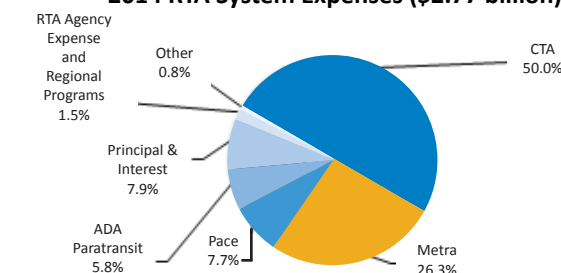
Regional Revenue

2014 RTA System Revenues (\$2.77 billion)



Regional Expense

2014 RTA System Expenses (\$2.77 billion)



Operating revenue for the RTA system consists of passenger fares and other system-generated revenues such as leases, advertising, and investment income.

- Operating revenue is projected to increase by 1.4% to \$1.11 billion in 2014.
- Public funding, consisting of sales tax, state funding, the City of Chicago Real Estate Transfer Tax (RETT) and other sources total \$1.67 billion.
- 2014 RTA system revenue, the sum of operating revenue and public funding, is projected to be \$2.77 billion.

- 2014 operating expenses for the RTA system are projected to increase by 2.8% to \$2.77 billion.
- The region's system-generated revenue recovery ratio is projected at 52.6% for 2014, meeting the statutorily required level of 50%.

$$\text{Regional Revenue Recovery Ratio} = \frac{\text{Total Operating Revenue}}{\text{Total Operating Expenditures (with approved adjustments)}}$$