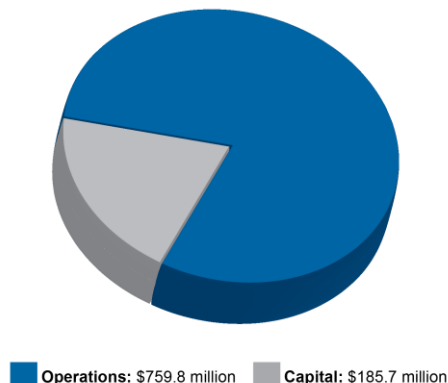


2016 PROPOSED BUDGET OVERVIEW

Metra's proposed 2016 Budget provides for \$945.5 million in spending, including \$759.8 for operations and \$185.7 million for capital improvements.

**2016 FUNDING DISTRIBUTION
TOTAL \$945.5 MILLION**



Funding for operations is provided through fares paid by our customers and through revenues our agency receives from Metra's portion of the regional sales and use tax.

Funding for capital improvements is provided through local, state and federal funding sources and programs and a small amount of fare revenue.

Budget Cuts and Efficiencies

As part of our commitment to reduce costs and hold the line on spending, we recently identified savings and efficiencies totaling \$5.7 million that have been incorporated into the 2016 proposed budget. Those budget cuts include:

- \$1,300,000 through the elimination of six management positions and furlough of 20 seasonal employees
- \$900,000 through the implementation of new diesel locomotive technologies resulting in more fuel efficient locomotives
- \$800,000 through the elimination of a retirement account contribution program
- \$700,000 through the reduction of railcar materials costs by the expansion of the Amerail and Budd car rehabilitation programs and the replacement of older Metra Electric cars with new Metra Electric Highliners
- \$700,000 through the reduction of the use of outside consulting services
- \$500,000 through the reduction of the use of outside police services and the redeployment of Metra Police officers
- \$400,000 through reductions in legal fees, costs and liability insurance
- \$200,000 through the reduction of overtime pay costs due to an expected decrease in overtime needed for ticket sales personnel due to the new mobile ticketing app
- \$200,000 through the reduction of miscellaneous costs for items such as outside training, appraisals, postage and messenger services

These cuts are in addition to the \$7.8 million in reductions achieved as part of last year's budget process and nearly \$6 million of recurring budget savings found in the years prior to 2015.

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