



Regional Transportation Authority

175 West Jackson Blvd.
Suite 1650
Chicago, Illinois 60604
312-913-3200
rtachicago.org

Public Agenda

Board of Directors

Thursday, June 20, 2019

Board Room

following Committee meeting(s)

1. Call to Order/Pledge of Allegiance

2. Roll Call

3. Approval of Minutes

3.a. From the meeting held on May 16, 2019

3.b. Report on Semi-Annual Docket Review

4. Public Comment

5. Executive Director's Report

6. Information Item(s)

6.a. Presentation and Public Participation: FTA Triennial DBE Goal

7. Consent Items

7.a. Ordinances authorizing the execution of 2019 Federal Funding Allocation Agreements between NE-Illinois, NW-Indiana and SE-Wisconsin, amending the 2019-2023 Capital Program, and amending and extending ICE Funded Projects

7.b. Ordinance approving the Combining Financial Report and certifying compliance with the RTA Act recovery ratio requirement for 2018

7.c. Ordinance approving and releasing the RTA 2018 Comprehensive Financial Report (CAFR)

8. Contracts/Expenditures

8.a. Ordinance authorizing a contract amendment for RTA Trip Planner software support and maintenance services

- 8.b. Ordinance authorizing an amendment to Project Management Services Task Order #3 for support for the RTA's ERP implementation project
- 8.c. Ordinance authorizing a contract for fabrication and installation of interagency signage
- 8.d. Travel Expense Reimbursements

9. Special Action Item(s)

- 9.a. Resolution honoring Dwight A. Magalis
- Resolution honoring Patrick J. Durante

10. New Business

ADJOURNMENT

MINUTES OF THE PUBLIC MEETING OF THE BOARD OF DIRECTORS
OF THE REGIONAL TRANSPORTATION AUTHORITY

The Board of Directors of the Regional Transportation Authority met in public session on Thursday, May 16, 2019 in Suite 1650, 175 West Jackson Blvd., Chicago, Illinois pursuant to notice.

Chairman Dillard called the meeting to order at 9:20 a.m. The Pledge of Allegiance followed.

ROLL CALL

Board members present (13): Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani (phone), Chairman Dillard

Board members absent (3): Fuentes, Kotel, Sager

Approval of minutes from the meeting held on April 18, 2019

Director Higgins moved, and Director Holt seconded that the minutes from the meeting held on April 18, 2019 be approved as submitted. The motion carried on the following roll call vote:

13 Ayes: Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani, Chairman Dillard

3 Absent: Fuentes, Kotel, Sager

Executive Director's Report

Ms. Redden reported that at the end of April, the State owes the RTA \$261.3 million of ASA, AFA, and PTF. The State is still 10 months behind on ASA, 10 months behind on AFA, the equivalent of 5.0 months behind on PTF and the YTD cost of short-term debt is \$1.8 million. Due to a larger than usual influx of revenue for the month of April, the State was able to pay a larger than usual portion of the outstanding debt owed to the RTA. While this is a positive sign, the RTA has spoken to the Comptroller's office and does not expect to see a similar influx of revenue during the next few months

She then briefed the Board on the Illinois General Assembly. Legislators have yet to come to an agreement on a number of large issues and while several capital infrastructure bills have been filed and discussed, it seems that the passage will be contingent on some of the other larger revenue and budget items. The General Assembly is entering its last two weeks of scheduled spring session with an adjournment date set for May 31st.

Ms. Redden then discussed federal issues the RTA is currently monitoring. On May 1 Congressman Mike Quigley testified before the Transportation and Infrastructure Committee during Members' Day and adopted some of the RTA priorities into his testimony for the record.

On April 30th, President Trump met with House Speaker Nancy Pelosi, Senate Minority Leader Chuck Schumer and a few other senior Democratic lawmakers to discuss a potential infrastructure package.

Ms. Redden then told the Board about the RTA's plans to adjust the agency's DBE goal to 16.2% for FFYs 2020-22. A meeting with stakeholders was held and on June 10th a public notice with links to the DBE goal methodology will be on the RTA's website. The RTA is accepting public comments through July 24, 2019.

And finally, Ms. Redden gave a wrap up of Get On Board Day. It was a successful event and that got quite a bit of good media coverage of it including: WGN radio and TV; WLS-TV; WBEZ and more.

Update on activities of the RTA Citizens' Advisory Board

RTA Transit Access Citizens Advisory Board (RTACAB) Chairman Greg Polman provided an update to the RTA Board of Directors. The RTACAB met on April 1st, 2019. Chairman Polman reported that at the April 1st meeting, Mark Koljack provided highlights of the Mobility Services Department Year-End 2018 Statistics report. Mr. Polman then provided the Board with some highlights relating to eligible ADA Paratransit customers, visitors to one of four RTA/City of Chicago DFSS sites and RTA Ride Free Permits.

Mr. Polman explained that the RTACAB also received briefings from Susan Massel, Director, Marketing and Communications, about the first annual Get On Board Day; and Heather Tabbert Mullins, Local Planning and Program Management on the current RTA's 5310 Call for Projects.

Consent Agenda Items

Director Pang moved, and Director Ross seconded the adoption of the following resolutions and ordinances as submitted on the Consent Agenda:

2019-17	These resolutions certifying that the operating financial results of each Service
2019-18	Board and the region as a whole, through the first quarter of 2019, are
2019-19	substantially in accordance with budget. The system-wide operating deficit
2019-20	of the Service Boards, including Pace ADA Paratransit, was \$409.9 million. This
2019-21	result is \$5.5 million, or 1.3%, favorable to the adopted budget. The regional
	system-generated revenue recovery ratio of 47.1%, which excludes ADA
	Paratransit, was 0.6 percentage points unfavorable to budget.

- 2019-22 This ordinance approves and releases the 2020 Budget and Capital Program Call (the “Budget Call”). The Budget Call defines the schedule and information requirements that the Service Boards must follow for the development of the 2020 Budget, which includes the 2020 Operating Budget, 2021-2022 Two-Year Financial Plan, and 2020-2024 Five-Year Capital Program. These requirements focus on ensuring that the RTA has sufficient information to adequately evaluate the Service Boards’ budgets, coordinate resource allocation, and ultimately recommend adoption of the consolidated regional budget and capital program as outlined by the RTA Act.

The motion carried on the following leave for last unanimous roll call vote:

13 Ayes: Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani, Chairman Dillard
3 Absent: Fuentes, Kotel, Sager

Contracts/Expenditure Items

Director Durante moved, and Director Melvin seconded the adoption of the following ordinances, as well as the approval of Board travel expenditures as submitted:

- 2019-23 This ordinance authorizes the execution of 20 task order contracts, for the period from date of execution through February 14, 2022, to complete planning studies on behalf of municipalities and/or RTA Service Boards selected through the Community Planning program with a total RTA contribution not to exceed \$2,100,000. No funds are needed at this time to execute the task order contracts. However, the amount of each individual task order project budget will be determined when new projects are selected.
- 2019-24 This ordinance authorizing the purchase of excess liability insurance policies by the RTA’s Loss Financing Plan/Joint Self-Insurance Fund. RTA’s current policies expire on June 15, and renewal policies are required in order to ensure continuous coverage in the event of a claim. At the time of drafting, the RTA’s broker continues to negotiate terms with underwriters, in order to further reduce the proposed premiums, however the total cost for coverage from 2019-2020 will not exceed \$5,645,775, plus applicable taxes.

The motion carried on the following leave for last unanimous roll call vote:

13 Ayes: Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani, Chairman Dillard
3 Absent: Fuentes, Kotel, Sager

Chairman Dillard stated that the next meeting of the RTA Board of Directors was scheduled for June 20, 2019.

EXECUTIVE SESSION ACTION ITEM

Director Durante pointed out that the Board was aware of the Executive Session item and recommended the discussion and action that was to come out could be addressed in open session. The Board acknowledged the recommendation. He then moved, and Director Melvin seconded the ordinance that would reappoint Kirk Dillard to the position of Chairman of the RTA Board for another 5-year term. Directors Magalis, Higgins and Pang also voiced an additional second and provided compliments and comments supporting their concurrence in reappointing Chairman Dillard for a second term. Chairman Dillard acknowledged the support and complimented the Board and staff for their support. The secretary then read the Ordinance into the record.

2019-25 This ordinance re-appoints Kirk W. Dillard to the position of Chairman of the Board of Directors of the Regional Transportation Authority for a term of five (5) years beginning August 1, 2019 and until his successor has been appointed and has qualified.

Director Durante moved, and Director Melvin seconded. The motion carried on the following leave for last unanimous roll call vote:

13 Ayes: Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani, Chairman Dillard

3 Absent: Fuentes, Kotel, Sager

ADJOURNMENT

There being no further business to come before the Board of Directors, Director Groven moved, and Director Lewis seconded that the meeting adjourn. The motion carried on the following voice vote:

13 Ayes: Coulson, Durante, Frega, Groven, Higgins, Holt, Lewis, Magalis, Melvin, Pang, Ross, Troiani, Chairman Dillard

3 Absent: Fuentes, Kotel, Sager

The public portion of the Board meeting concluded at 9:55 a.m.

AUDREY MACLENNAN
Secretary of the Authority



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To: Board of Directors

From: Leanne P. Redden, Executive Director

Date: June 6, 2019

Re: Presentation of RTA's Disadvantaged Business Enterprise (DBE) Goal Methodology for
Federal Fiscal Years 2020-22

In accordance with U.S. Department of Transportation (DOT) regulations, specifically, 49 C.F.R. Part 26.45, the RTA is required to submit an overall DBE goal to the Federal Transit Administration (FTA) triennially. Submission and approval of the RTA's DBE goal methodology is a condition of eligibility for DOT financial assistance. The RTA has engaged Colette Holt, an attorney and national expert on the DBE program with extensive experience in designing defensible DBE goals, to perform a comprehensive statistical analysis of DBEs in the region ready, willing and able to perform work on RTA's anticipated federally funded projects during Federal Fiscal Years 2020-2022.

Ms. Holt will explain the process and methodology used to reach the RTA's proposed 16.25% triennial DBE goal for submission to the FTA. No action will be required of the Board.

Prepared by: Legal and Compliance Department

LPR/NML/LR



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To: Finance Committee

From: Leanne P. Redden, Executive Director

Date: June 13, 2019

Re: Ordinances authorizing the execution of 2019 Federal Funding Allocation Agreements Between Northeastern Illinois, Northwestern Indiana and Southeastern Wisconsin, amending the 2019-2023 Capital Program and amending and extending ICE Funded Projects

Staff is requesting Board approval of three ordinances. The first ordinance authorizes the execution of federal formula funding allocations based on the Letter of Understanding (LOU) agreements between Northeastern Illinois and Northwestern Indiana and between Northeastern Illinois and Southeastern Wisconsin. The agreements reflect the share of the region's full FFY 2019 funding allocations for the following federal transit formula programs: Federal §5307 including §5340 formula program, §5337 State of Good Repair, §5339 Bus and Bus Facilities, and §5310 Enhanced Mobility of Seniors and Individuals with Disabilities. The second approves the amendment to the 2019-2023 Capital Program and incorporates changes in program revenue and expenditures for CTA, Metra and Pace. The third ordinance approves a project scope adjustment and a time extension for implementation of CTA and Metra's Innovation, Coordination, and Enhancement (ICE) funded projects.

Previous Actions

Date	<u>Ordinance No.</u>	<u>Purpose</u>
<u>06/21/2018</u>	<u>2018-32</u>	2018 Federal Funding Allocation
<u>03/21/2019</u>	<u>2019-08</u>	Modifying the 2019-2023 Capital Program
<u>03/21/2019</u>	<u>2019-09</u>	Approving time extensions of ICE funded projects

New Federal Formula Funding Allocation Attachments

The Fixing America's Surface Transportation (FAST) Act, enacted December 4, 2015, authorizes federal transportation funding to the regional Urbanized Areas (UZAs) for FFYs 2016-2020. On April 9, 2019, the Federal Transit Administration updated the full FFY 2019 apportionments for the four federal formula programs: §5307 including §5340, §5337 State of Good Repair, §5339 Bus and Bus Facilities, and §5310 Enhanced Mobility of Seniors and Individuals with Disabilities through September 30, 2019. The RTA, as the designated recipient of these federal formula programs, first sub-allocates the funding to Northeastern Illinois, Northwestern Indiana and Southeastern Wisconsin based on the U.S. Census and operating data for each region. The RTA then splits the Northeastern Illinois allocation between the Service Boards in accordance with historically established shares. The federal formula Section §5310 funds are not included in the sub-allocations to the Service Boards because the RTA is the direct recipient of these funds.

The Northwestern Indiana Regional Planning Commission (NIRPC), the Northern Indiana Commuter Transportation District (NICTD) and the Southeastern Wisconsin Regional Planning Commission (SEWRPC) have approved RTA's recommended FFY 2019 full year federal formula funding apportionment sub-allocations. As required by federal guidelines, the Chicago Metropolitan Agency for Planning's (CMAP) Transportation Committee endorsed the recommended allocations at its April 26, 2019 meeting and the MPO Policy Committee will consider concurrence at its June 13, 2019 meeting. After RTA Board approval of the funding sub-allocations, the RTA will provide written notification to the Federal Transit Administration (FTA) of the allocated capital federal funding to all recipients in the region.

The ordinance to approve the 2019 Federal Apportionments includes seven attachments to the LOUs that specify the full allocation of FFY 2019 federal formula funds by program within the Chicago, IL-IN and Round Lake Beach-McHenry-Grayslake, IL-WI UZAs. The full year 2019 federal funding allocations for the CTA, Metra and Pace are reflected in Schedule IIA-attached. Because the new federal funding splits result in changes to the RTA's Board approved 2019 Capital Program federal marks, the ordinance to amend the 2019-2023 Capital Program includes these revisions.

2019-2023 Capital Program Funding Changes

The net increase in funding for the 2019-2023 Capital Program is \$68.25M, as summarized in the table below and reflects funding changes for all Services Boards.

2019-2023 Capital Funding Changes (in millions)			
	Current	Change	Proposed
CTA	\$2161.51	\$11.81	\$2173.32
Metra	1260.34	45.41	1305.75
Pace	291.3	11.03	302.33
RTA	0.25	-	0.25
2019 Capital Program Total:	\$3713.4	\$68.25	\$3781.65

The table above reflects the net increase in the federal formula funds for all three Service Boards as a result of the release of the federal apportionments as well as additional changes to the Capital Program, as described below.

CTA's amendment reflects an increase in federal discretionary funds, service board and local funds, and reprogrammed funds from previous years (including CTA bonds, other service board funds, and RTA ICE funds), and reflects a reduction in planned CTA bond issuances.

Metra's amendment reflects an increase in State of Illinois Department of Commerce and Economic Opportunity (DCEO) funds, other service board and local funds, and reprogramming of remaining state bond funds to the current year.

CTA and Metra are also shifting CMAQ funding from planned projects in 2021 to projects in 2019 as this funding has become available sooner.

Pace's amendment reflects an increase in federal discretionary funds, service board funds, and reprogrammed RTA bond funds.

The details of the funding increase are reflected in Capital Program Schedules II-A and II-B attached to the ordinance.

As depicted in the table below, there is a net increase to the 2019 budget and a decrease to the 2020-2023 budget. The program's total funds and sources of revenue change due to CTA and Metra shifting CMAQ funding from 2020-2023 to 2019. The out-years are further reduced due to CTA reducing the amount of money for planned bond issuances by utilizing the 2019 federal formula funding and reprogramming some unutilized older funds.

Capital Funding Changes (in millions)	2019 Current	2019 Change	2019 Proposed	2020-23 Current	2020-23 Change	2020-23 Proposed
Federal Formula	\$510.91	\$38.88	\$549.79	\$2100.12	-	\$2100.12
Federal Discretionary/Federal Flexible	139.22	72.68	211.9	588.83	(68.91)	519.92
State	-	-	-	-	-	-
State - DCEO Funds	-	15.00	15.00	-	-	-
RTA	53.15	4.17	57.32	298.29	-	298.29
SB and Local Funds	45.66	2.75	48.41	82.22	-	82.22
SB Bond Proceeds	73.13	(0.81)	72.32	158.22	(23.62)	134.6
Reprogrammed CTA Bonds (Includes GTT, RPM, and Planned)	119.63	7.12	126.74	270.62	-	270.62
Reprogrammed/Carryover State Bond Funds	3.96	20.00	23.96	-	-	-
Reprogrammed Other Funds	-	0.98	0.98	-	-	-
CTA Debt Repayment	(150.43)	-	(150.43)	(580.11)	-	(580.11)
Total:	\$795.22	\$160.78	\$955.99	\$2918.19	(\$92.53)	\$2825.66

2019 CTA Proposed Program Amendment (\$59.54M)

CTA's net increase of \$59.54M impacts the following projects:

- Infrastructure and Safety Renewal Program (\$33.34M)
- Rail Car Maintenance Activities (\$12.05M)
- Bus Replacement Program (\$7.37M)
- 74th Street Bus Garage Improvements (\$2.46M)
- Program Management and Support Services (\$2.31M)
- Red Line Extension Transportation Oriented Development Activities (\$1.48M)

As part of the net increase of \$59.54M, CTA requested the approval to de-obligate \$0.53M of ICE funding from the following projects:

- CTA—(0200) – MMIS Modules and Upgrade (CTA-2015A) - \$0.24M
- CTA—(0338) – Purchase/Install Bus Mobile Communication Devices (CTA-2014C) - \$0.29M

and obligate the funding to the following project:

- CTA—(0187) – Software/Hardware Enhancements (CTA-2012-SBICE) - \$0.53M.

2019 CTA Capital Program Funding Changes (in millions)	2019 Current	2019 Change	2019 Proposed	2020-23 Current	2020-23 Change	2020-23 Proposed
Federal Formula	\$296.12	\$26.13	\$322.25	\$1218.11	-	\$1218.11
Federal Discretionary/Federal Flexible	115.64	25.58	141.21	533.68	(24.11)	509.57
RTA	4.52	0.53	5.05	144.00	-	144.00
SB and Local Funds	1.09	0.01	1.11	1.22	-	1.22
SB Bond Proceeds	26.33	(0.81)	25.52	158.22	(23.62)	134.6
CTA Debt Repayment	(150.43)	-	(150.43)	(580.11)	-	(580.11)
Reprogrammed CTA Bonds (Includes GTT, RPM, and Planned)	119.63	7.12	126.74	270.62	-	270.62
Reprogrammed/Carryover State Bond Funds	2.87	-	2.87	-	-	-
Reprogrammed Other Funds	-	0.98	0.98	-	-	-
Total CTA Available:	\$415.76	\$59.54	\$475.3	\$1745.74	(\$47.73)	\$1698.02

2019 Metra Proposed Program Amendment (\$90.21M)*

Metra's net increase of \$90.21M impacts the following projects:

- Locomotive Purchases (\$44.80M)
- Auburn-Gresham Station (\$20.00M)
- Peterson Ridge Station (\$15.00M)
- Positive Train Control (\$10.32M)
- Signal Standards Project (\$0.05M)
- A20 Interlocker Improvements (\$0.05M)

**Numbers may not total due to rounding*

2019 Metra Capital Program Funding Changes (in millions)	2019 Current	2019 Change	2019 Proposed	2020-23 Current	2020-23 Change	2020-23 Proposed
Federal Formula	\$173.59	\$10.32	\$183.91	\$713.99	-	\$713.99
Federal Discretionary/Federal Flexible	16.06	44.80	60.86	45.11	(44.80)	0.31
RTA	47.89	-	47.89	139.89	-	139.89
SB and Local Funds	43.71	0.09	43.80	80.00	-	80.00
State - DCEO Funds	-	15.00	15.00	-	-	-
Reprogrammed/Carryover State Bond Funds	0.11	20.00	20.11	-	-	-
Total Metra Available:	\$281.36	\$90.21	\$371.56	\$978.99	(\$44.80)	\$934.19

2019 Pace Proposed Capital Program Amendment (\$11.03M)

Pace's net increase of \$11.03M impacts the following projects:

- Wheeling Northwest Garage Facility (\$5.54M)
- Purchase new Compressed Natural Gas Buses (\$3.07M)
- Purchase new Coach Buses (\$2.15M)
- Purchase Paratransit Vehicles (\$0.27M)

2019 Pace Capital Program Funding Changes (in millions)	2019 Current	2019 Change	2019 Proposed	2020-23 Current	2020-23 Change	2020-23 Proposed
Federal Formula	\$41.20	\$2.43	\$43.63	\$168.01	-	\$168.01
Federal Discretionary/Federal Flexible	7.52	2.31	9.83	10.04	-	10.04
RTA	0.49	3.65	4.14	14.40	-	14.40
SB and Local Funds	0.85	2.65	3.50	1.00	-	1.00
SB Bond Proceeds	46.8	-	46.8	-	-	-
Reprogrammed/Carryover State Bond Funds	0.99	-	0.99	-	-	-
Total Pace Available:	\$97.84	\$11.03	\$108.88	\$193.45	-	\$193.45

2019 ICE Project Extension and Scope Adjustment Requests

The third ordinance is approving a 12-month extension for a CTA project and a scope adjustment for a Metra project.

CTA	0187 Software and Hardware Enhancements to Improve Efficiency	This funding will provide for several software and hardware enhancements, which will improve efficiency to the Transit Operations Planning System (TOPS). The project is complete. The 1 year extension will allow CTA to pay remaining invoices that have yet to be received.
Metra	5176- Luminous Platform Signs	The initial scope of this project was to provide luminous platform signs at six stations outside of Downtown Chicago. Metra has requested to adjust the scope of the project to allow for installation of backlit signage at Downtown Chicago stations which will aid significantly more customers and will integrate with the RTA's Interagency Signage Project.

Staff has reviewed the requests and finds them justified.

Actions Requested

Staff requests adoption of the following ordinances:

1. Execution of 2019 Federal §5307, Including §5340 Urbanized Area Formula Program, §5337 State of Good Repair Program, §5339 Bus and Bus Facilities Formula Program and §5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program Funding Allocation Agreements Between Northeastern Illinois, Northwestern Indiana and Southeastern Wisconsin.
2. Amendment of the 2019-2023 Capital Program.
3. Approving a 12-month extension of one ICE project for CTA and a scope adjustment of one project for Metra.

Prepared by: Capital Programming and Performance Analysis

JL/LN/TJ/TO/BL
Attachments.

ORDINANCE NO.

AMENDMENT TO THE 2019-2023 CAPITAL PROGRAM

WHEREAS, Section 2.01b of the Regional Transportation Authority Act (the "Act") requires the Regional Transportation Authority (the "Authority" or the "RTA"), to annually prepare the Five-Year Capital Program for the region;

WHEREAS, funding for the Five-Year Capital Program is based on an estimate of funds available for capital projects for 2019-2023 from all sources including federal-, state-, and Authority-funded programs and Service Board and non-Service Board agency-generated funds;

WHEREAS, the capital funding estimates are listed in the Five-Year Capital Program;

WHEREAS, a variety of changes have occurred with regard to the funds anticipated to be available for capital projects, the capital projects to be funded within the program, and the funding distribution for the capital projects; and

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

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

1. The amounts estimated to be available for capital projects for calendar years 2019-2023 set forth in Schedules II-A and II-B to Ordinance 2019-08 adopted on March 21, 2019, are hereby amended and restated as set forth in the attached revised Schedules II-A and II-B. Such estimates assume the appropriations of federal and state funding and the availability of resources of the Authority.
2. Nothing in this Ordinance is intended to or shall have the effect of waiving any discretion the RTA may have under law to review the determinations made in this Ordinance, including, but not limited to, allocation of federal funds among the Service Boards, or determining the allowable uses of federal, state or local funds.
3. All provisions of previously adopted ordinances and resolutions, including but not limited to Ordinance 2019-08 not expressly amended or repealed by this amendatory ordinance remain in full force and effect.
4. The Executive Director is hereby authorized and directed to inform each of the Service Boards of the amounts and purposes of available funding sources, and to take such action as the Executive Director deems necessary or appropriate to implement, administer and enforce this ordinance and make conforming changes to the 2019-2023 Capital Program.

2019-2023 CAPITAL PROGRAM REVENUES

Schedule II-A
2019-XX June 20, 2019

CTA

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
FTA						
\$5307/\$5340 Urbanized Area Formula	\$ 128,355,943	\$ 131,406,873	\$ 132,868,942	\$ 134,347,223	\$ 135,841,951	\$ 662,820,931
\$5337 State of Good Repair Formula	171,413,409	155,787,013	157,368,286	158,965,610	160,579,147	804,113,465
\$5339 Bus and Bus Facilities	13,955,945	12,251,106	12,569,167	12,895,486	13,230,277	64,901,981
Reprogrammed Federal Formula Funds	8,529,516	0	0	0	0	8,529,516
Subtotal FTA	\$ 322,254,812	\$ 299,444,991	\$ 302,806,395	\$ 306,208,319	\$ 309,651,375	\$ 1,540,365,893
Federal-Flexible/Discretionary						
CMAQ	33,000,000	83,890,857	0	0	0	116,890,857
Sec. 5303 UWP Planning	746,800	420,000	420,000	420,000	420,000	2,426,800
Other - Transit Oriented Development Grant	1,465,940	0	0	0	0	1,465,940
Department of Homeland Security	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	30,000,000
New Starts/Core Capacity	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000
Subtotal Fed Flexible	141,212,740	190,310,857	106,420,000	106,420,000	106,420,000	650,783,597
Subtotal All Federal	\$ 463,467,552	\$ 489,755,848	\$ 409,226,395	\$ 412,628,319	\$ 416,071,375	\$ 2,191,149,490
State						
State Bond Funds	0	0	0	0	0	0
Reprogrammed SCIP Bond Funds	2,867,243	0	0	0	0	2,867,243
Subtotal State	\$ 2,867,243	\$ 0	\$ 0	\$ 0	\$ 0	2,867,243
RTA						
RTA Bonds	0	79,000,000	0	0	65,000,000	144,000,000
Reprogrammed ICE Funds	528,671	0	0	0	0	528,671
Reprogrammed RTA Bond Funds	3,680,784	0	0	0	0	3,680,784
Reprogrammed RTA Funds	835,641	0	0	0	0	835,641
Subtotal RTA	\$ 5,045,096	\$ 79,000,000	\$ 0	\$ 0	\$ 65,000,000	\$ 149,045,096
Service Board and Local Funds						
Other Service Board Funds	382,360	265,400	105,000	105,000	105,000	962,760
Illinois Long Range Transportation Funds	726,400	641,600	0	0	0	1,368,000
Service Board Bond Proceeds	25,520,547	63,108,937	71,489,615	0	0	160,119,099
Reprogrammed Other Local Funds	976,590	0	0	0	0	976,590
Reprogrammed CTA Bond Funds	7,119,748	0	0	0	0	7,119,748
Reprogrammed CTA Bond - Ground Transportation Tax	46,542,160	86,536,311	22,706,701	7,214,828	0	163,000,000
Reprogrammed CTA Bond Proceeds (RPM)	73,082,895	107,173,482	46,992,816	0	0	227,249,193
Subtotal SB/Local	\$ 154,350,700	\$ 257,725,730	\$ 141,294,132	\$ 7,319,828	\$ 105,000	560,795,390
Subtotal State/RTA/Local	\$ 162,263,039	\$ 336,725,730	\$ 141,294,132	\$ 7,319,828	\$ 65,105,000	712,707,729
TOTAL CTA FUNDING	\$ 625,730,591	\$ 826,481,578	\$ 550,520,527	\$ 419,948,147	\$ 481,176,375	\$ 2,903,857,219
Debt Repayment						
CTA Ground Transportation Tax Repayment (Short Term)	(8,552,999)	0	0	0	0	(8,552,999)
Subtotal Ground Transportation Tax Repayment	\$ (8,552,999)	\$ 0	\$ 0	\$ 0	\$ 0	(8,552,999)
CTA Debt Repayment Principal (\$5307/\$5340)	(31,585,000)	(41,410,000)	(22,980,000)	(24,125,000)	(25,350,000)	(145,450,000)
CTA Debt Repayment Principal (\$5309)	(30,650,000)	(32,230,000)	(47,940,000)	(50,365,000)	(52,930,000)	(214,115,000)
Subtotal Debt Repayment Principal	(62,235,000)	(73,640,000)	(70,920,000)	(74,490,000)	(78,280,000)	(359,565,000)
CTA Debt Repayment Interest (\$5307/\$5340)	(14,236,025)	(12,656,775)	(10,586,275)	(9,437,275)	(8,213,725)	(55,130,075)
CTA Debt Repayment Interest (\$5309)	(65,405,414)	(63,859,010)	(61,863,302)	(59,396,090)	(56,767,757)	(307,291,573)
Subtotal Debt Repayment Interest	(79,641,439)	(76,515,785)	(72,449,577)	(68,833,365)	(64,981,482)	(362,421,648)
Subtotal Debt Repayment	\$ (150,429,438)	\$ (150,155,785)	\$ (143,369,577)	\$ (143,323,365)	\$ (143,261,482)	\$ (730,539,647)
TOTAL CTA AVAILABLE	\$ 475,301,153	\$ 676,325,794	\$ 407,150,950	\$ 276,624,782	\$ 337,914,893	\$ 2,173,317,572

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METRA

FTA

\$5307/\$5340 Urbanized Area Formula	\$ 83,424,210	\$ 84,205,148	\$ 85,243,017	\$ 86,293,642	\$ 87,357,217	\$ 426,523,235
\$5337 State of Good Repair Formula	100,483,722	91,323,421	92,250,375	93,186,737	94,132,607	471,376,861

Subtotal FTA \$ 183,907,932 \$ 175,528,569 \$ 177,493,392 \$ 179,480,379 \$ 181,489,824 \$ 897,900,096

Federal-Flexible/Discretionary

Consolidated Rail Infrastructure and Safety Improvements (CRSI)	2,058,163	0	0	0	0	2,058,163
Volkswagen Clean Air Act Settlement Grant	14,000,000	0	0	0	0	14,000,000
CMAQ	44,800,000	0	306,000	0	0	45,106,000

Subtotal Fed Flexible \$ 60,858,163 \$ 0 \$ 306,000 \$ 0 \$ 0 \$ 61,164,163

Subtotal Federal \$ 244,766,095 \$ 175,528,569 \$ 177,799,392 \$ 179,480,379 \$ 181,489,824 \$ 959,064,259

State

State Bond Funds	0	0	0	0	0	0
Illinois DCEO Funds (Build Illinois)	15,000,000	0	0	0	0	15,000,000
Reprogrammed/Carryover State Bond Funds	20,000,000	0	0	0	0	20,000,000
Reprogrammed SCIP Bond Funds	110,699	0	0	0	0	110,699

Subtotal State \$ 35,110,699 \$ 0 \$ 0 \$ 0 \$ 0 \$ 35,110,699

RTA

RTA ICE Funds	5,041,958	5,142,798	5,245,654	0	0	15,430,410
Reprogrammed ICE Funds	848,705	0	0	0	0	848,705
RTA Bonds	0	71,000,000	0	0	58,500,000	129,500,000
Reprogrammed RTA Bond Funds	42,000,000	0	0	0	0	42,000,000

Subtotal RTA \$ 47,890,663 \$ 76,142,798 \$ 5,245,654 \$ 0 \$ 58,500,000 \$ 187,779,115

Service Board and Local Funds

Other Service Board Funds	43,712,177	20,000,000	20,000,000	20,000,000	20,000,000	123,712,177
Other Local Funds	85,000	0	0	0	0	85,000

Subtotal SB/Local \$ 43,797,177 \$ 20,000,000 \$ 20,000,000 \$ 20,000,000 \$ 20,000,000 \$ 123,797,177

Subtotal State/RTA/Local \$ 126,798,539 \$ 96,142,798 \$ 25,245,654 \$ 20,000,000 \$ 78,500,000 \$ 346,686,991

TOTAL METRA AVAILABLE

\$ 371,564,634 \$ 271,671,367 \$ 203,045,046 \$ 199,480,379 \$ 259,989,824 \$ 1,305,751,250

2019-2023 CAPITAL PROGRAM REVENUES

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PACE

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
\$5307/\$5340 Urbanized Area Formula	\$ 41,347,497	\$ 39,612,844	\$ 40,032,542	\$ 40,456,670	\$ 40,885,292	\$ 202,334,846
\$5339 Bus and Bus Facilities	1,924,958	1,689,806	1,733,675	1,778,684	1,824,861	8,951,984
Reprogrammed Federal Formula Funds	352,745	0	0	0	0	352,745
Subtotal FTA	\$ 43,625,200	\$ 41,302,650	\$ 41,766,217	\$ 42,235,354	\$ 42,710,153	\$ 211,639,575
Federal-Flexible/Discretionary						
Volkswagen Clean Air Act Settlement Grant	2,307,690	0	0	0	0	2,307,690
CMAQ	7,520,000	0	10,040,512	0	0	17,560,512
Subtotal Fed Flexible	\$ 9,827,690	\$ 0	\$ 10,040,512	\$ 0	\$ 0	\$ 19,868,202
Subtotal Federal	\$ 53,452,890	\$ 41,302,650	\$ 51,806,729	\$ 42,235,354	\$ 42,710,153	\$ 231,507,777
State						
State Bond Funds	0	0	0	0	0	0
Reprogrammed SCIP Bond Funds	985,364	0	0	0	0	985,364
Subtotal State	\$ 985,364	\$ 0	\$ 0	\$ 0	\$ 0	\$ 985,364
RTA						
RTA Bonds	0	7,900,000	0	0	6,500,000	14,400,000
Reprogrammed RTA Bond Funds	3,645,371	0	0	0	0	3,645,371
Reprogrammed RTA Funds	492,266	0	0	0	0	492,266
Subtotal RTA	\$ 4,137,637	\$ 7,900,000	\$ 0	\$ 0	\$ 6,500,000	\$ 18,537,637
Service Board and Local Funds						
Positive Budget Variance	3,502,110	250,000	250,000	250,000	250,000	4,502,110
Service Board Bond Proceeds	46,800,000	0	0	0	0	46,800,000
Subtotal SB/Local	\$ 50,302,110	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 51,302,110
Subtotal State/RTA/Local	\$ 55,425,111	\$ 8,150,000	\$ 250,000	\$ 250,000	\$ 6,750,000	\$ 70,825,111
TOTAL PACE AVAILABLE	\$ 108,878,001	\$ 49,452,650	\$ 52,056,729	\$ 42,485,354	\$ 49,460,153	\$ 302,332,888

2019-2023 CAPITAL PROGRAM REVENUES

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	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
RTA						
RTA						
RTA Funds	250,000	0	0	0	0	250,000
Subtotal RTA	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000
TOTAL RTA AVAILABLE	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000

2019-2023 CAPITAL PROGRAM REVENUES

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	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
REGIONAL TOTAL						
FTA						
\$5307/\$5340 Urbanized Area Formula	\$ 253,127,650	\$ 255,224,866	\$ 258,144,501	\$ 261,097,535	\$ 264,084,460	\$ 1,291,679,012
\$5337 State of Good Repair Formula	271,897,131	247,110,434	249,618,661	252,152,347	254,711,754	1,275,490,326
\$5339 Bus and Bus Facilities	15,880,903	13,940,911	14,302,842	14,674,170	15,055,138	73,853,965
Reprogrammed Federal Formula Funds	8,882,261	0	0	0	0	8,882,261
Subtotal FTA	\$ 549,787,945	\$ 516,276,211	\$ 522,066,004	\$ 527,924,052	\$ 533,851,352	\$ 2,649,905,564
Federal-Flexible/Discretionary						
Consolidated Rail Infrastructure and Safety Improvements (CRSI)	2,058,163	0	0	0	0	2,058,163
Volkswagen Clean Air Act Settlement Grant	16,307,690	0	0	0	0	16,307,690
CMAQ	85,320,000	83,890,857	10,346,512	0	0	179,557,369
Sec. 5303 UWP Planning	746,800	420,000	420,000	420,000	420,000	2,426,800
Department of Homeland Security	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	30,000,000
New Starts/Core Capacity	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000
Subtotal Fed Flexible	\$ 210,432,653	\$ 190,310,857	\$ 116,766,512	\$ 106,420,000	\$ 106,420,000	\$ 730,350,022
SUBTOTAL FEDERAL	\$ 760,220,598	\$ 706,587,068	\$ 638,832,516	\$ 634,344,052	\$ 640,271,352	\$ 3,380,255,586
State						
State Bond Funds	0	0	0	0	0	0
Illinois DCEO Funds (Build Illinois)	15,000,000	0	0	0	0	15,000,000
Reprogrammed/Carryover State Bond Funds	20,000,000	0	0	0	0	20,000,000
Reprogrammed SCIP Bond Funds	3,963,306	0	0	0	0	3,963,306
Subtotal State	\$ 38,963,306	\$ 0	\$ 0	\$ 0	\$ 0	\$ 38,963,306
RTA						
RTA ICE Funds	5,041,958	5,142,798	5,245,654	0	0	15,430,410
Reprogrammed ICE Funds	1,377,376	0	0	0	0	1,377,376
RTA Funds	250,000	0	0	0	0	250,000
RTA Bonds	0	157,900,000			130,000,000	287,900,000
Reprogrammed RTA Bond Funds	49,326,155	0	0	0	0	49,326,155
Reprogrammed RTA Funds	1,327,907	0	0	0	0	1,327,907
Subtotal RTA Funding	\$ 57,323,396	\$ 163,042,798	\$ 5,245,654	\$ 0	\$ 130,000,000	\$ 355,611,848
Service Board and Local Funds						
Positive Budget Variance	3,502,110	250,000	250,000	250,000	250,000	4,502,110
Other Service Board Funds	44,094,537	20,265,400	20,105,000	20,105,000	20,105,000	124,674,937
Other - Transit Oriented Development Grant	1,465,940	0	0	0	0	
Other Local Funds	85,000	0	0	0	0	
Illinois Long Range Transportation Funds	726,400	641,600	0	0	0	1,368,000
Service Board Bond Proceeds	72,320,547	63,108,937	71,489,615	0	0	206,919,099
Reprogrammed Other Local Funds	976,590	0	0	0	0	
Reprogrammed CTA Bond Funds	7,119,748	0	0	0	0	7,119,748
Reprogrammed CTA Bond - Ground Transportation Tax	46,542,160	86,536,311	22,706,701	7,214,828	0	163,000,000
Reprogrammed CTA Bond Proceeds (RPM)	73,082,895	107,173,482	46,992,816	0	0	227,249,193
Subtotal SB/Local	\$ 249,915,927	\$ 277,975,730	\$ 161,544,132	\$ 27,569,828	\$ 20,355,000	\$ 737,360,617
SUBTOTAL State/RTA/Local	\$ 346,202,629	\$ 441,018,528	\$ 166,789,786	\$ 27,569,828	\$ 150,355,000	\$ 1,131,935,771
TOTAL REGIONAL FUNDING	\$ 1,106,423,227	\$ 1,147,605,596	\$ 805,622,302	\$ 661,913,880	\$ 790,626,352	\$ 4,512,191,356
Debt Repayment						
CTA Ground Transportation Tax Repayment (Short Term)	(8,552,999)	0	0	0	0	(8,552,999)
Subtotal Ground Transportation Tax Repayment	\$ (8,552,999)	\$ 0	\$ 0	\$ 0	\$ 0	(8,552,999)
CTA Debt Repayment Principal (\$5307/\$5340)	(31,585,000)	(41,410,000)	(22,980,000)	(24,125,000)	(25,350,000)	(145,450,000)
CTA Debt Repayment Principal (\$5309)	(30,650,000)	(32,230,000)	(47,940,000)	(50,365,000)	(52,930,000)	(214,115,000)
Subtotal Debt Repayment Principal	(62,235,000)	(73,640,000)	(70,920,000)	(74,490,000)	(78,280,000)	(359,565,000)
CTA Debt Repayment Interest (\$5307/\$5340)	(14,236,025)	(12,656,775)	(10,586,275)	(9,437,275)	(8,213,725)	(55,130,075)
CTA Debt Repayment Interest (\$5309)	(65,405,414)	(63,859,010)	(61,863,302)	(59,396,090)	(56,767,757)	(307,291,573)
Subtotal Debt Repayment Interest	(79,641,439)	(76,515,785)	(72,449,577)	(68,833,365)	(64,981,482)	(362,421,648)
Subtotal Debt Service	\$ (150,429,438)	\$ (150,155,785)	\$ (143,369,577)	\$ (143,323,365)	\$ (143,261,482)	(730,539,647)
TOTAL REGIONAL AVAILABLE	\$ 955,993,789	\$ 997,449,811	\$ 662,252,725	\$ 518,590,515	\$ 647,364,870	\$ 3,781,651,710

Proposed Changes to RTA 2019 Capital Program

2019-XX June 20, 2019

SCHEDULE II B

			Current		Proposed		Proposed vs.	2020	2021	2022	2023	Total
			Source	Budget	Source	Budget	Current					
CTA												
Bus												
1 Rolling Stock												
021.500	021.803	16-12-0009 -- Perform Bus Maintenance Activities (P1)	5307 Tollway	28,172,347	NC: NC	29,224,775	1,052,428	0	0	0	0	29,224,775
021.500	021.803	16-12-0009 -- Perform Bus Maintenance Activities (P1)	5339 Tollway	11,827,653	NC: NC	10,775,225	(1,052,428)	2,300,000	2,300,000	2,300,000	2,200,000	19,875,225
021.503	021.806	16-17-0001 -- Life Extending Overhaul - 430 Standard (1000 Series)	5339 Tollway	0	NC: NC	0	0	0	10,095,712	0	10,878,129	20,973,841
021.503	021.806	16-17-0001 -- Life Extending Overhaul - 430 Standard (1000 Series)	5307 Tollway	0	NC: NC	0	0	0	11,243,281	15,815,340	5,219,779	32,278,400
021.504	021.806	16-17-0001 -- Mid-Life Bus Overhaul - 100 Artic (4300/4333 Series)	5307 Tollway	0	NC: NC	0	0	9,279,155	0	0	0	9,279,155
021.504	021.806	16-17-0001 -- Mid-Life Bus Overhaul - 100 Artic (4300/4333 Series)	5339 Tollway	0	NC: NC	0	0	9,828,595	0	0	0	9,828,595
031.054	031.054	-- Replace Remaining 6400 Series		0	5339: Tollway	3,048,139	3,048,139	0	0	0	0	3,048,139
031.054	031.054	-- Replace Remaining 6400 Series Buses		0	5307: Tollway	4,323,482	4,323,482	0	0	0	0	4,323,482
031.502	031.054	16-14-0001 -- Replace Buses - Electric (20 Base_25 Option) w Charger (5 Base_8 Option)	CMAQ Tollway	0	NC: NC	7,924,000	7,924,000	0	0	0	0	7,924,000
031.503	031.054	16-96-0061 -- Replace Buses - (150 of 1,030 New Flyers)	100% Bond	0	NC: NC	0	0	0	0	0	6,261,589	6,261,589
031.503	031.054	16-96-0061 -- Replace Buses - (150 of 1,030 New Flyers)	5307 Tollway	0	NC: NC	0	0	0	0	8,722,068	66,188,215	74,910,283
031.503	031.054	16-96-0061 -- Replace Buses - (150 of 1,030 New Flyers)	5339 Tollway	0	NC: NC	0	0	0	0	10,417,528	0	10,417,528
031.504	031.051	16-96-0061 -- Replace Buses - Nova Option 2 (remaining 25 buses)	5307 Tollway	1,000,000	NC: NC	0	(1,000,000)	0	0	0	0	0
031.504	031.054	16-96-0061 -- Replace Buses - Artic Hybrid - Lease Interest	5307 Tollway	105,440	NC: NC	105,440	0	0	0	0	0	105,440
031.504	031.054	16-96-0061 -- Replace Buses - Artic Hybrid - Lease Principal	5307 Tollway	6,437,273	NC: NC	6,437,273	0	0	0	0	0	6,437,273

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	Total
031.504	031.054	16-96-0061 -- Replace Buses - NF Option 4 - Lease Interest	5307 Tollway	265,417	NC: NC	265,417	0	53,664	0	0	0	319,081
031.504	031.054	16-96-0061 -- Replace Buses - NF Option 4 - Lease Principal	5307 Tollway	7,646,283	NC: NC	7,646,283	0	3,902,186	0	0	0	11,548,469
031.505	031.054	16-96-0061 -- Replace Remaining (6400 Series) 50 Base/Plus 50 Option - Standard	100% CTA Bond	0	NC: NC	0	0	35,604,546	0	0	0	35,604,546
Total 1 Rolling Stock				55,454,413		69,750,034	14,295,621	60,968,146	23,638,993	37,254,936	90,747,712	282,359,821
<u>11 Modernization</u>												
404.502	404.502	16-13-0005 -- Ashland Av Transit Signal Priority and Signal Modernization-Irving Park Rd to Cermak Rd - CMAQ	CMAQ Ser. Bd.	8,806,394	NC: NC	0	(8,806,394)	8,801,948	0	0	0	8,801,948
Total 11 Modernization				8,806,394		0	(8,806,394)	8,801,948	0	0	0	8,801,948
Total				64,260,807		69,750,034	5,489,227	69,770,094	23,638,993	37,254,936	90,747,712	291,161,769
<u>Rail</u>												
<u>1 Rolling Stock</u>												
022.503	022.906	16-12-0010 -- Perform Rail Car Maintenance Activities (P1)	5337 Tollway	30,000,000	NC: NC	2,986,698	(27,013,302)	2,200,000	0	2,200,000	2,200,000	9,586,698
022.503	022.906	16-12-0010 -- Perform Rail Car Maintenance Activities (P1)	5307 Tollway	10,000,000	NC: NC	40,000,000	30,000,000	0	2,200,000	0	0	42,200,000
022.504	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Base of 283 cars	5337 Tollway	0	NC: NC	0	0	13,446,442	9,725,837	0	42,884,730	66,057,009
022.504	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Base of 283 cars	100% CTA Bond	0	NC: NC	3,621,674	3,621,674	5,175,271	5,400,000	0	0	14,196,945
022.504	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Base of 283 cars	5307 Tollway	0	NC: NC	0	0	3,508,197	23,665,601	0	0	27,173,798
022.504	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Base of 283 cars	100% Bond	0	NC: NC	0	0	16,202,454	0	0	0	16,202,454
022.504	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Base of 283 cars	100% Bond	0	NC: NC	0	0	0	0	0	31,365,911	31,365,911
022.504	022.903	-- Perform Rail Car Overhaul	100% SCIP 2	2,867,243	NC: NC	2,867,243	0	0	0	0	0	2,867,243
022.504	022.903	-- Perform Rail Car Overhaul	100% Bond	3,680,784	NC: NC	3,680,784	0	0	0	0	0	3,680,784
022.505	022.903	16-17-0002 -- 5000 Series Qtr Overhaul - Critical Needs	100% CTA Bond	14,316,801	NC: NC	10,695,127	(3,621,674)	0	0	0	0	10,695,127
022.506	022.906	16-12-0010 -- Rail Car Activities - Traction Motor & Armatures Phase II	100% CTA Bond	800,836	NC: NC	0	(800,836)	0	0	0	0	0
022.508	022.508	-- Perform Rail Car Activities - Install Rail Car Simulator		0	100%: Ser. Bd.	976,590	976,590	0	0	0	0	976,590
022.906	022.510	-- Perform Rail Car Maintenance Activities		0	100%: CTA Bond	4,655,406	4,655,406	0	0	0	0	4,655,406

			Current		Proposed		Proposed vs.					Total
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	
022.906	022.511	-- Rail Car Activities Phase II Propulsion Kits (2600 Series)		0	5337: Tollway	8,076,201	8,076,201	0	0	0	0	8,076,201
132.501	132.056	16-15-0005 -- Purchase Rail Cars - 7000' Series (Base Order 400)	5307 Tollway	0	NC: NC	0	0	28,015,652	45,864,031	59,900,717	0	133,780,400
132.501	132.056	16-15-0005 -- Purchase Rail Cars - 7000' Series (Base Order 400)	100% CTA Bond	0	NC: NC	0	0	8,093,945	4,169,608	0	0	12,263,553
132.501	132.056	16-15-0005 -- Purchase Rail Cars - 7000' Series (Base Order 400)	5337 Tollway	0	NC: NC	0	0	30,643,691	3,079,965	12,223,295	0	45,946,951
Total 1 Rolling Stock				61,665,664		77,559,723	15,894,059	107,285,652	94,105,042	74,324,012	76,450,641	429,725,070
<u>11 Modernization</u>												
079.502	195.027	16-14-0007 -- Rehabilitate Blue Line - Kimball Subway Waterproofing and Track includes TOD	100% Bond	0	NC: NC	0	0	1,975,000	0	0	0	1,975,000
121.509	195.027	16-14-0007 -- Rehabilitate Blue Line -(Jeff Park to ORD) Signals (Phase 5)	100% CTA Bond	0	NC: NC	0	0	0	11,330,879	0	0	11,330,879
141.273	195.027	16-14-0007 -- Rehabilitate Blue Line - Contingencies	100% Bond	0	NC: NC	0	0	4,659,548	0	0	0	4,659,548
141.273	195.027	16-14-0007 -- Rehabilitate Blue Line - Grand, Chicago and Division Station Renovation (Phase 4)	100% Bond	0	NC: NC	0	0	3,978,519	0	0	0	3,978,519
170.501	195.027	16-14-0007 -- Rehabilitate Blue Line- Harlem Station Bus Bridge	100% Bond	0	NC: NC	0	0	9,875,000	0	0	0	9,875,000
302.901	304.004	16-10-9001 -- NML - Red/Purple Modernization - Support Service CMAQ	CMAQ Ser. Bd.	0	NC: NC	153,125	153,125	459,375	0	0	0	612,500
302.901	304.004	16-10-9001 -- NML - Red/Purple Modernization (FTA Core Capacity) - Support Service	5309C Tollway	612,500	NC: NC	612,500	0	612,500	612,500	612,500	612,500	3,062,500
302.901	304.004	16-10-9001 -- NML - Red/Purple Modernization -Support Service CTA Bond RPM	100% RPM Operating Funds	447,633	NC: NC	447,633	0	656,438	287,831	0	0	1,391,902
304.004	304.004	16-10-9001 -- NML - Red/Purple Modernization	CMAQ Ser. Bd.	0	NC: NC	24,846,875	24,846,875	74,540,625	0	0	0	99,387,500
304.004	304.004	16-10-9001 -- NML - Red/Purple Modernization	100% RPM Operating Funds	72,635,262	NC: NC	72,635,262	0	106,517,044	46,704,985	0	0	225,857,291
304.004	304.004	16-10-9001 -- NML - Red/Purple Modernization (FTA Core Capacity)	5309C Tollway	99,387,500	NC: NC	99,387,500	0	99,387,500	99,387,500	99,387,500	99,387,500	496,937,500

			Current		Proposed		Proposed vs.					Total
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	
406.029	406.500	-- NML- Red Purple Modernization Core Capacity Expansion Program- UWP	Other Fed. Ser. Bd.	404,619	NC: NC	404,619	0	0	0	0	0	404,619
Total 11 Modernization				173,487,514		198,487,514	25,000,000	302,661,549	158,323,695	100,000,000	100,000,000	859,472,758
<u>2 Track & Structure</u>												
181.500	184.500	-- Elevated Track & Structure Safety Renewal		0	5337: Tollway	1,486,503	1,486,503	0	0	0	0	1,486,503
181.500	184.500	-- Elevated Track & Structure Safety Renewal		0	5307: Tollway	7,043,013	7,043,013	0	0	0	0	7,043,013
184.500	181.500	16-98-0015 -- Elevated Track and Structure Systemwide	5337 Tollway	14,937,500	NC: NC	10,000,000	(4,937,500)	0	14,812,500	14,812,500	0	39,625,000
184.500	181.500	16-98-0015 -- Elevated Track and Structure Systemwide	5307 Tollway	9,875,000	NC: NC	14,812,500	4,937,500	14,812,500	0	0	14,812,500	44,437,500
184.512	181.500	16-98-0015 -- Green Line South - Track Improvements	100% CTA Bond Trans. Tax	9,866,131	NC: NC	9,866,131	0	22,462,923	5,871,536	1,865,622	0	40,066,212
184.513	181.500	16-98-0015 -- Green & Pink Line West - Track Improvements	100% CTA Bond Trans. Tax	4,981,982	NC: NC	4,981,982	0	11,342,833	2,964,879	942,061	0	20,231,755
184.514	181.500	16-98-0015 -- Red & Blue Line Subway - Track Improvements	100% CTA Bond Trans. Tax	5,237,854	NC: NC	5,237,854	0	11,925,396	3,117,154	990,445	0	21,270,849
184.515	181.500	16-98-0015 -- Brown Line - Track Improvements	100% CTA Bond Trans. Tax	4,142,872	NC: NC	4,142,872	0	9,432,371	2,465,508	783,390	0	16,824,141
184.516	181.500	16-98-0015 -- Congress Blue Line - P1 Track	100% CTA Bond Trans. Tax	974,572	NC: NC	974,572	0	2,218,878	579,988	184,285	0	3,957,723
Total 2 Track & Structure				50,015,911		58,545,427	8,529,516	72,194,901	29,811,565	19,578,303	14,812,500	194,942,696
<u>3 Electrical, Signal, & Communications</u>												
121.506	121.500	16-00-0030 -- Tactical Traction Power (Equipment/Cable/Enclosures)	100% CTA Bond	0	NC: NC	0	0	4,196,875	4,196,875	0	0	8,393,750
121.510	121.500	16-00-0030 -- Blue Line O'Hare Branch Traction Power Improvements	100% CTA Bond Trans. Tax	5,994,183	NC: NC	5,994,183	0	13,647,382	3,567,261	1,133,461	0	24,342,287
Total 3 Electrical, Signal, & Communications				5,994,183		5,994,183	0	17,844,257	7,764,136	1,133,461	0	32,736,037
<u>4 Support Facilities & Equipment</u>												
070.504	073.500	16-17-0006 -- Replace Non-Revenue 61st Rail Shop	100% Bond	0	NC: NC	0	0	0	0	0	26,625,000	26,625,000
070.504	073.500	16-17-0006 -- Replace Non-Revenue 61st Rail Shop	100% Bond	0	NC: NC	0	0	29,625,000	0	0	0	29,625,000
070.504	073.500	16-17-0006 -- Replace Non-Revenue 61st Rail Shop	100% CTA Bond	0	NC: NC	0	0	0	9,875,000	0	0	9,875,000
070.510	073.500	16-99-0002 -- Rail Facilities (Yards) - SOGR II	5307 Tollway	0	NC: NC	0	0	1,958,137	0	0	0	1,958,137

			<u>Current</u>		<u>Proposed</u>		<u>Proposed vs.</u>					<u>Total</u>
			<u>Source</u>	<u>Budget</u>	<u>Source</u>	<u>Budget</u>	<u>Current</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	
070.510	073.500	16-99-0002 -- Rail Facilites (Yards) - SOGR II	100% CTA Bond	3,579,189	NC: NC	3,579,189	0	1,357,811	0	0	0	4,937,000
070.510	073.500	16-99-0002 -- Rail Facilites (Yards) - SOGR II	100% Bond	0	NC: NC	0	0	10,959,423	0	0	0	10,959,423
070.510	073.500	16-99-0002 -- Rail Facilites (Yards) - SOGR II	5337 Tollway	0	NC: NC	0	0	0	3,950,000	3,950,000	3,950,000	11,850,000
070.512	073.500	-- Improve Facilities - 74th Garage		0	100%: CTA Bond	2,464,342	2,464,342	0	0	0	0	2,464,342
Total 4 Support Facilities & Equipment				3,579,189		6,043,531	2,464,342	43,900,371	13,825,000	3,950,000	30,575,000	98,293,902
<u>5 Stations & Passenger Facilities</u>												
143.500	141.273	16-02-0004 -- Rehabilitate Rail Stations - Systemwide	5337 Tollway	0	NC: NC	0	0	1,975,000	5,925,000	5,925,000	0	13,825,000
143.514	141.273	16-99-002 -- Station Security Enhancements	100% CTA Bond Trans. Tax	2,923,716	NC: NC	2,923,716	0	6,656,633	1,739,963	552,856	0	11,873,168
Total 5 Stations & Passenger Facilities				2,923,716		2,923,716	0	8,631,633	7,664,963	6,477,856	0	25,698,168
<u>6 Miscellaneous</u>												
406.024	406.500	-- Blue Line Core Capacity Study 3 Range Funds Ser. Bd.		404,124	NC: NC	404,124	0	323,730	0	0	0	727,854
Total 6 Miscellaneous				404,124		404,124	0	323,730	0	0	0	727,854
<u>7 Extensions</u>												
254.001	254.001	01-94-0006 -- Red Line Extension - Planning, Preliminary Engineering	100% CTA Bond	0	NC: NC	0	0	8,049,400	32,197,602	0	0	40,247,002
254.001	254.001	-- Red Line Extension - TOD Planning and Engineering		0	Other Fed.: Ser. Bd.	1,480,000	1,480,000	0	0	0	0	1,480,000
Total 7 Extensions				0		1,480,000	1,480,000	8,049,400	32,197,602	0	0	41,727,002
<u>8 Contingencies & Administration</u>												
302.287	310.001	-- Support Services for Fast Tracks Program - Long Term	100% CTA Bond Trans. Tax	360,897	NC: NC	360,897	0	865,363	313,352	99,565	0	1,639,177
Total 8 Contingencies & Administration				360,897		360,897	0	865,363	313,352	99,565	0	1,639,177
Total				298,431,199		351,799,116	53,367,917	561,756,856	344,005,355	205,563,197	221,838,141	1,684,962,665
System												
<u>3 Electrical, Signal, & Communications</u>												
0187	0187	-- Software/Hardware Enhancements		0	100%: ICE	528,671	528,671	0	0	0	0	528,671
150.502	150.028	16-03-0011 -- Systemwide Security Cameras Improvements (Safe & Secure)	100% CTA Bond Trans. Tax	3,506,954	NC: NC	3,506,954	0	7,984,532	2,087,060	663,143	0	14,241,689
Total 3 Electrical, Signal, & Communications				3,506,954		4,035,625	528,671	7,984,532	2,087,060	663,143	0	14,770,360

			<u>Current</u>		<u>Proposed</u>		<u>Proposed vs.</u>					
			<u>Source</u>	<u>Budget</u>	<u>Source</u>	<u>Budget</u>	<u>Current</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
<u>4 Support Facilities & Equipment</u>												
061.500	061.059	16-98-0003 -- Upgrade Office Computer Systems	5307 Tollway	0	NC: NC	0	0	1,300,000	1,300,000	1,300,000	1,300,000	5,200,000
061.501	061.059	16-98-0003 -- Upgrade\Support IT & Communication Systems	5307 Tollway	0	NC: NC	0	0	400,000	400,000	400,000	400,000	1,600,000
062.029	061.059	16-98-0003 -- Asset Management & System Enhancements	Range Funds Ser. Bd.	495,250	NC: NC	495,250	0	470,250	0	0	0	965,500
070.500	073.500	16-99-0002 -- Office Building - Interest	5307 Tollway	3,122,413	NC: NC	3,122,413	0	2,965,163	2,799,788	2,621,456	2,429,175	13,937,995
070.500	073.500	16-99-0002 -- Office Building - Principal	5307 Tollway	3,065,000	NC: NC	3,065,000	0	3,225,000	3,390,000	3,565,000	3,760,000	17,005,000
070.503	073.500	16-99-0002 -- Facilities Maintenance	5337 Tollway	8,110,987	NC: NC	11,207,021	3,096,034	7,900,000	7,900,000	7,900,000	0	34,907,021
070.503	073.500	16-99-0002 -- Facilities Maintenance	5307 Tollway	10,854,760	NC: NC	7,758,726	(3,096,034)	0	0	0	0	7,758,726
070.505	073.500	16-99-0002 -- Facilities Maintenance	100% CTA Bond	4,913,362	NC: NC	4,913,362	0	0	0	0	0	4,913,362
070.511	073.500	16-99-0002 -- Facilities (Critical Needs) - SOGR II	100% Bond	0	NC: NC	0	0	461,891	0	0	0	461,891
070.511	073.500	16-99-0002 -- Facilities (Critical Needs) - SOGR II	5337 Tollway	0	NC: NC	0	0	1,975,000	0	0	0	1,975,000
070.511	073.500	16-99-0002 -- Facilities (Critical Needs) - SOGR II	100% CTA Bond	2,468,750	NC: NC	2,468,750	0	0	0	0	0	2,468,750
086.503	086.500	16-13-0003 -- Equipment and Non-Revenue Vehicles (Diesel Locomotives)	100% Bond	0	NC: NC	0	0	473,165	0	0	0	473,165
086.503	086.500	16-13-0003 -- Equipment and Non-Revenue Vehicles (Diesel Locomotives)	100% CTA Bond	0	NC: NC	0	0	0	3,333,095	0	0	3,333,095
<u>Total 4 Support Facilities & Equipment</u>				33,030,522		33,030,522	0	19,170,469	19,122,883	15,786,456	7,889,175	94,999,505
<u>6 Miscellaneous</u>												
150.500	150.028	16-03-0011 -- Implement Security Projects - HLS Program	100% Other	5,943,000	NC: NC	5,943,000	0	5,940,000	5,917,200	5,917,200	5,931,000	29,648,400
292.002	292.002	-- Unanticipated Capital	100% Discr.	835,641	NC: NC	835,641	0	0	0	0	0	835,641
<u>Total 6 Miscellaneous</u>				6,778,641		6,778,641	0	5,940,000	5,917,200	5,917,200	5,931,000	30,484,041
<u>8 Contingencies & Administration</u>												
302.088	310.001	-- Support Service for 5307	5307 Tollway	1,234,628	NC: NC	1,219,381	(15,247)	1,314,069	1,833,591	1,853,992	1,562,182	7,783,215
302.089	310.001	-- Support Service for 5337	5337 Tollway	1,465,105	NC: NC	1,628,427	163,322	1,557,870	2,171,682	2,193,725	1,846,660	9,398,364
302.090	310.001	-- Support Service for 5339	5339 Tollway	113,440	NC: NC	132,581	19,141	122,511	173,455	177,958	152,148	758,653
302.092	310.001	-- Support Service for CMAQ	CMAQ Ser. Bd.	84,463	NC: NC	76,000	(8,463)	88,909	0	0	0	164,909
302.093	310.001	-- Support Service for HLS	Other Fed. Other	57,000	NC: NC	57,000	0	60,000	82,800	82,800	69,000	351,600

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	Total
302.095	310.001	-- Support Service for RTA Bonds	100% Bond	0	NC: NC	0	0	0	0	0	747,500	747,500
302.095	310.001	-- Support Service for RTA Bonds	100% Bond	0	NC: NC	0	0	790,000	0	0	0	790,000
302.096	310.001	-- Support Services for CTA Bond	100% CTA Bond	250,126	NC: NC	242,445	(7,681)	631,089	986,556	0	0	1,860,090
302.097	310.001	-- Support Service for UWP	Other Fed. Ser. Bd.	3,881	NC: NC	3,881	0	0	0	0	0	3,881
302.098	310.001	-- Support Service for ILRTP	Range Funds Ser. Bd.	8,626	NC: NC	8,626	0	8,020	0	0	0	16,646
306.001	310.001	16-01-0008 -- Program Management	5307 Tollway	2,361,253	NC: NC	4,554,227	2,192,974	6,606,375	6,606,375	6,606,375	6,606,375	30,979,727
306.001	310.001	16-01-0008 -- Program Management	5337 Tollway	3,652,622	NC: NC	1,459,648	(2,192,974)	0	0	0	0	1,459,648
406.003	310.001	-- Program Development - UWP	Other Fed. Ser. Bd.	525,000	NC: NC	525,000	0	525,000	525,000	525,000	525,000	2,625,000
Total 8 Contingencies & Administration				9,756,144		9,907,216	151,072	11,703,843	12,379,459	11,439,850	11,508,865	56,939,233
Total				53,072,261		53,752,004	679,743	44,798,844	39,506,602	33,806,649	25,329,040	197,193,139
Total CTA				415,764,266		475,301,153	59,536,887	676,325,794	407,150,950	276,624,782	337,914,893	2,173,317,572

		Current		Proposed		Proposed vs.							
		Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total		
Metra													
Rail													
1 Rolling Stock													
5006	5006	-- NEW GALLERY CARS PURCHASE	100% Bond		0	NC: NC	0	0	34,000,000	0	0	0	34,000,000
5006	5006	-- NEW GALLERY CARS PURCHASE	Formula Fnds Tollway		2,700,000	NC: NC	2,700,000	0	0	36,500,000	20,600,000	23,400,000	83,200,000
5006	5006	-- NEW GALLERY CARS PURCHASE	100% Bond		0	NC: NC	0	0	0	0	0	58,500,000	58,500,000
5009	5009	-- CAR REHAB (NIPPON SHARYO HIGHLINERS)	Formula Fnds Tollway		0	NC: NC	0	0	16,164,000	10,614,000	14,000,000	10,850,000	51,628,000
5010	5010	-- CAR AND LOCOMOTIVE CAMERAS	Formula Fnds Tollway		2,500,000	NC: NC	2,500,000	0	2,500,000	2,500,000	2,000,000	2,000,000	11,500,000
5109	5109	-- LOCOMOTIVE PURCHASE	Formula Fnds Tollway		2,000,000	NC: NC	2,000,000	0	21,000,000	0	33,000,000	35,380,000	91,380,000
5109	5109	-- LOCOMOTIVE PURCHASE	100% Ser. Bd.		0	NC: NC	0	0	0	0	16,139,000	0	16,139,000
5109	5109	-- LOCOMOTIVE PURCHASE	CMAQ Ser. Bd.		0	NC: NC	0	0	0	11,200,000	0	0	11,200,000
5109	5109	-- Locomotive Purchase	100% Ser. Bd.		36,500,000	NC: NC	36,500,000	0	0	0	0	0	36,500,000
5109	5109	-- Locomotive Purchase			0	CMAQ: Tollway	44,800,000	44,800,000	0	0	0	0	44,800,000
5204	5204	-- LOCOMOTIVE REBUILD 100-149,215,216	Formula Fnds Tollway		8,000,000	NC: NC	8,000,000	0	10,150,000	7,635,000	5,050,000	0	30,835,000
5207	5207	-- CAR REHAB (NIPPON SHARYO P-3)	Formula Fnds Tollway		12,100,000	NC: NC	12,100,000	0	4,375,000	0	15,000,000	0	31,475,000
5301	5301	-- TRACTION MOTORS	Formula Fnds Tollway		2,000,000	NC: NC	2,000,000	0	2,000,000	1,800,000	1,800,000	1,800,000	9,400,000
5302	5302	-- Locomotive and Rail Car Improvements	Formula Fnds Tollway		2,000,000	NC: NC	2,000,000	0	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
5303	5303	-- WHEEL REPLACEMENT	Formula Fnds Tollway		3,000,000	NC: NC	3,000,000	0	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
5307	5307	-- CAR REHAB (NIPPON SHARYO P-4)	Formula Fnds Tollway		0	NC: NC	0	0	10,000,000	12,850,000	3,000,000	0	25,850,000
5309	5309	-- New Locomotives	D-Volkswagen Bond		56,000,000	NC: NC	56,000,000	0	0	0	0	0	56,000,000
AE-104	AE-104	-- CAR REHAB (NIPPON SHARYO P-5)	Formula Fnds Tollway		0	NC: NC	0	0	13,000,000	6,324,000	0	0	19,324,000
AE-105	AE-105	-- CAR REHAB (NIPPON SHARYO P-6)	Formula Fnds Tollway		0	NC: NC	0	0	0	0	500,000	15,000,000	15,500,000
AE-106	AE-106	-- CAR REHAB (NIPPON SHARYO P-7)	Formula Fnds Tollway		0	NC: NC	0	0	0	0	0	12,000,000	12,000,000
Total 1 Rolling Stock					126,800,000		171,600,000	44,800,000	118,189,000	94,423,000	116,089,000	163,930,000	664,231,000
2 Track & Structure													
4337	4337	-- Gresham Area Bridges	Formula Fnds Tollway		6,500,000	NC: NC	6,500,000	0	0	0	0	0	6,500,000
4840	4840	-- NORTH LINE BRIDGES (PHASED)	100% Ser. Bd.		0	NC: NC	0	0	0	0	0	16,000,000	16,000,000

			<u>Current</u>		<u>Proposed</u>		<u>Proposed vs.</u>					
			<u>Source</u>	<u>Budget</u>	<u>Source</u>	<u>Budget</u>	<u>Current</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
4840	4840	-- NORTH LINE BRIDGES (PHASED)	Formula Fnds Tollway	6,000,000	NC: NC	6,000,000	0	5,400,000	5,000,000	7,000,000	2,009,442	25,409,442
4840	4840	-- NORTH LINE BRIDGES (PHASED)	100% Bond	0	NC: NC	0	0	32,000,000	0	0	0	32,000,000
5240	5240	-- BRIDGE A-32	Formula Fnds Tollway	12,000,000	NC: NC	12,000,000	0	0	0	0	0	12,000,000
5311	5311	-- TIES, BALLAST, & SW HEATERS	Formula Fnds Tollway	2,500,000	NC: NC	2,500,000	0	1,500,000	2,500,000	1,500,000	1,500,000	9,500,000
5312	5312	-- TIES AND BALLAST	Formula Fnds Tollway	0	NC: NC	0	0	2,000,000	2,000,000	2,000,000	2,500,000	8,500,000
5313	5313	-- TIES AND BALLAST (50/50)	Formula Fnds Tollway	1,600,000	NC: NC	1,600,000	0	2,500,000	2,000,000	2,000,000	2,500,000	10,600,000
5314	5314	-- TIES AND BALLAST (50/50)	Formula Fnds Tollway	1,250,000	NC: NC	1,250,000	0	250,000	250,000	250,000	250,000	2,250,000
5315	5315	-- TIES AND BALLAST	Formula Fnds Tollway	2,300,000	NC: NC	2,300,000	0	1,500,000	2,000,000	2,000,000	2,000,000	9,800,000
5316	5316	-- TIES AND BALLAST	Formula Fnds Tollway	1,500,000	NC: NC	1,500,000	0	0	0	0	0	1,500,000
5320	5320	-- NCS IMPROVEMENTS	100% Ser. Bd.	798,000	NC: NC	798,000	0	878,000	965,000	1,061,000	1,167,000	4,869,000
5321	5321	-- UNDERCUTTING & SURFACING	Formula Fnds Tollway	250,000	NC: NC	250,000	0	250,000	250,000	250,000	250,000	1,250,000
5322	5322	-- UNDERCUTTING & SURFACING	Formula Fnds Tollway	500,000	NC: NC	500,000	0	500,000	250,000	250,000	250,000	1,750,000
5323	5323	-- UNDERCUTTING & SURFACING	Formula Fnds Tollway	400,000	NC: NC	400,000	0	300,000	300,000	250,000	250,000	1,500,000
5324	5324	-- UNDERCUTTING & SURFACING	Formula Fnds Tollway	500,000	NC: NC	500,000	0	0	500,000	0	500,000	1,500,000
5325	5325	-- RAIL REPLACEMENT	Formula Fnds Tollway	2,600,000	NC: NC	2,600,000	0	1,000,000	1,000,000	1,000,000	1,000,000	6,600,000
5326	5326	-- RAIL REPLACEMENT	Formula Fnds Tollway	250,000	NC: NC	250,000	0	500,000	500,000	500,000	500,000	2,250,000
5327	5327	-- RAIL REPLACEMENT	Formula Fnds Tollway	500,000	NC: NC	500,000	0	1,500,000	1,500,000	1,300,000	1,500,000	6,300,000
5328	5328	-- RAIL REPLACEMENT	Formula Fnds Tollway	250,000	NC: NC	250,000	0	2,500,000	2,500,000	2,100,000	2,500,000	9,850,000
5329	5329	-- RAIL REPLACEMENT	Formula Fnds Tollway	250,000	NC: NC	250,000	0	1,500,000	1,500,000	1,500,000	1,500,000	6,250,000
5330	5330	-- CREATE-P2	100% Ser. Bd.	2,000,000	NC: NC	2,000,000	0	15,000,000	6,000,000	1,000,000	0	24,000,000
5331	5331	-- CROSSINGS (ROAD & TRACK)	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
5332	5332	-- CROSSINGS (ROAD & TRACK - 50/50)	Formula Fnds Tollway	1,250,000	NC: NC	1,250,000	0	1,500,000	1,500,000	1,500,000	1,500,000	7,250,000
5333	5333	-- CROSSINGS (ROAD & TRACK)	Formula Fnds Tollway	500,000	NC: NC	500,000	0	1,500,000	1,500,000	1,500,000	1,500,000	6,500,000
5334	5334	-- CROSSINGS (ROAD & TRACK)	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
5335	5335	-- CROSSINGS (ROAD & TRACK)	Formula Fnds Tollway	0	NC: NC	0	0	750,000	1,000,000	1,500,000	1,500,000	4,750,000
5336	5336	-- BRIDGES & RETAINING WALLS	Formula Fnds Tollway	2,500,000	NC: NC	2,500,000	0	1,000,000	1,000,000	1,000,000	1,000,000	6,500,000
5337	5337	-- BRIDGES	Formula Fnds Tollway	500,000	NC: NC	500,000	0	400,000	400,000	400,000	400,000	2,100,000
5338	5338	-- BRIDGES	Formula Fnds Tollway	500,000	NC: NC	500,000	0	250,000	250,000	250,000	250,000	1,500,000

				Current		Proposed		Proposed vs.					
				Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total
5340	5340	-- ROOT/43rd STREET BRIDGES	Formula Fnds Tollway		8,000,000	NC: NC	8,000,000	0	0	0	0	0	8,000,000
5344	5344	-- CATENARY STRUCTURE REHAB	Formula Fnds Tollway		1,750,000	NC: NC	1,750,000	0	850,000	750,000	750,000	750,000	4,850,000
5347	5347	-- RIGHT OF WAY FENCING	Formula Fnds Tollway		33,000	NC: NC	33,000	0	33,000	33,000	33,000	33,000	165,000
5348	5348	-- RIGHT OF WAY FENCING	Formula Fnds Tollway		34,000	NC: NC	34,000	0	34,000	34,000	34,000	34,000	170,000
5349	5349	-- RIGHT OF WAY FENCING	Formula Fnds Tollway		33,000	NC: NC	33,000	0	33,000	33,000	33,000	33,000	165,000
BL-104	BL-104	-- WESTERN AVENUE BRIDGE	Formula Fnds Tollway		0	NC: NC	0	0	0	4,000,000	0	0	4,000,000
BL-105	BL-105	-- HICKORY CREEK BRIDGE	Formula Fnds Tollway		0	NC: NC	0	0	0	0	4,000,000	0	4,000,000
Total 2 Track & Structure					59,048,000		59,048,000	0	77,428,000	41,515,000	36,961,000	45,176,442	260,128,442
3 Electrical, Signal, & Communications													
4343	4343	-- POSITIVE TRAIN CONTROL	Formula Fnds Tollway		15,978,000	NC: NC	26,300,268	10,322,268	0	0	0	0	26,300,268
4343	4343	-- Positive Train Control (PTC)	CRISI Ser. Bd.		2,572,704	NC: NC	2,572,704	0	0	0	0	0	2,572,704
4343	4343	-- Positive Train Control (PTC)	100% SCIP 2		110,699	NC: NC	110,699	0	0	0	0	0	110,699
4746	4746	-- IMPEDANCE BONDS	Formula Fnds Tollway		0	NC: NC	0	0	200,000	200,000	100,000	200,000	700,000
4841	4841	-- CUS SOUTH INTERLOCKERS	Formula Fnds Tollway		2,450,000	NC: NC	2,450,000	0	0	0	0	0	2,450,000
4842	4842	-- 16TH STREET INTERLOCKER	Formula Fnds Tollway		200,000	NC: NC	200,000	0	0	0	0	0	200,000
4947	4947	-- A20 Interlocker		0	Formula Fnds: Tollway		585,000	585,000	0	0	0	0	585,000
5149	5149	-- Lake Street Interlocker	Formula Fnds Tollway		2,300,000	NC: NC	2,300,000	0	5,100,000	6,300,000	4,300,000	7,000,000	25,000,000
5254	5254	-- SIGNAL SYSTEM UPGRADES	Formula Fnds Tollway		0	NC: NC	0	0	250,000	250,000	250,000	250,000	1,000,000
5257	5257	-- RONDOUT INTERLOCKING RENEWAL	Formula Fnds Tollway		3,000,000	NC: NC	3,000,000	0	0	0	0	0	3,000,000
5350	5350	-- Communication Improvements	Formula Fnds Tollway		1,550,000	NC: NC	1,550,000	0	0	0	0	0	1,550,000
5352	5352	-- Signal Standards		0	Formula Fnds: Tollway		600,000	600,000	0	0	0	0	600,000
5353	5353	-- SIGNAL SYSTEM UPGRADES	Formula Fnds Tollway		250,000	NC: NC	250,000	0	0	300,000	0	0	550,000
5355	5355	-- SIGNAL SYSTEM UPGRADES	Formula Fnds Tollway		100,000	NC: NC	100,000	0	250,000	100,000	100,000	250,000	800,000
5356	5356	-- YARD IMPROVEMENTS-ELEC	Formula Fnds Tollway		900,000	NC: NC	900,000	0	750,000	900,000	900,000	900,000	4,350,000
5357	5357	-- YARD IMPROVEMENTS - ELEC	Formula Fnds Tollway		440,000	NC: NC	440,000	0	440,000	440,000	440,000	440,000	2,200,000
5358	5358	-- YARD IMPROVEMENTS - ELEC	Formula Fnds Tollway		750,000	NC: NC	750,000	0	750,000	1,000,000	1,500,000	900,000	4,900,000
5359	5359	-- YARD IMPROVEMENTS _ ELEC	Formula Fnds Tollway		1,320,000	NC: NC	1,320,000	0	820,000	1,000,000	450,000	820,000	4,410,000
5360	5360	-- HVAC REPLACEMENTS	Formula Fnds Tollway		1,000,000	NC: NC	1,000,000	0	0	0	0	0	1,000,000

				Current		Proposed		Proposed vs.					
				Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total
5361	5361	-- MORGAN INTERLOCKING	Formula Fnds Tollway		600,000	NC: NC	600,000	0	3,000,000	3,000,000	0	0	6,600,000
5362	5362	-- WESTERN INTERLOCKING	Formula Fnds Tollway		500,000	NC: NC	0	(500,000)	3,000,000	3,000,000	0	0	6,000,000
5363	5363	-- RECTIFIER REPLACEMENT	Formula Fnds Tollway		1,500,000	NC: NC	1,500,000	0	500,000	500,000	500,000	500,000	3,500,000
5364	5364	-- VIDEO SYS STORAGE	Formula Fnds Tollway		2,000,000	NC: NC	2,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000	6,000,000
CC-104	CC-104	-- BI-DIR SIGNAL (47TH TO 65TH)	Formula Fnds Tollway		0	NC: NC	0	0	2,000,000	5,000,000	0	0	7,000,000
CC-105	CC-105	-- BI-DIR SIGNAL (11TH TO 47TH)	Formula Fnds Tollway		0	NC: NC	0	0	0	0	5,000,000	5,000,000	10,000,000
CC-106	CC-106	-- A-20 INTERLOCKING	Formula Fnds Tollway		0	NC: NC	0	0	6,000,000	6,000,000	0	0	12,000,000
Total 3 Electrical, Signal, & Communications					37,521,403		48,528,671	11,007,268	24,060,000	28,990,000	14,540,000	17,260,000	133,378,671
4 Support Facilities & Equipment													
4757	4757	-- MILLENIUM STATION EXITS	Formula Fnds Tollway		1,300,000	NC: NC	1,300,000	0	0	0	0	0	1,300,000
4852	4852	-- FINANCIAL SYSTEM REPLACEMENT	Formula Fnds Tollway		0	NC: NC	0	0	2,100,000	0	1,900,000	1,000,000	5,000,000
4972	4972	-- 47th/49th STREET YARD FACILITY	Formula Fnds Tollway		10,000,000	NC: NC	10,000,000	0	0	0	0	0	10,000,000
5171	5171	-- GPS/TRAIN TRACKING	100% ICE 2020		0	NC: NC	0	0	5,142,798	0	0	0	5,142,798
5171	5171	-- GPS/TRAIN TRACKING	100% ICE 2019		5,041,958	NC: NC	5,041,958	0	0	0	0	0	5,041,958
5171	5171	-- GPS/TRAIN TRACKING	Formula Fnds Tollway		2,722,223	NC: NC	2,722,223	0	1,296,000	0	0	0	4,018,223
5265	5265	-- YARD IMPROVEMENTS	Formula Fnds Tollway		0	NC: NC	0	0	1,000,000	0	1,300,000	1,300,000	3,600,000
5265	5265	-- Yard Improvements - UP	Formula Fnds Tollway		1,400,000	NC: NC	1,400,000	0	0	0	0	0	1,400,000
5365	5365	-- YARD IMPROVEMENTS	Formula Fnds Tollway		3,000,000	NC: NC	3,000,000	0	2,000,000	3,000,000	2,500,000	2,500,000	13,000,000
5366	5366	-- YARD IMPROVEMENTS	Formula Fnds Tollway		1,500,000	NC: NC	1,500,000	0	1,000,000	1,000,000	1,000,000	800,000	5,300,000
5367	5367	-- YARD IMPROVEMENTS	Formula Fnds Tollway		1,000,000	NC: NC	1,000,000	0	500,000	1,000,000	1,000,000	1,000,000	4,500,000
5368	5368	-- YARD IMPROVEMENTS	Formula Fnds Tollway		1,000,000	NC: NC	1,000,000	0	500,000	500,000	500,000	500,000	3,000,000
5369	5369	-- RIGHT OF WAY EQUIPMENT	Formula Fnds Tollway		2,000,000	NC: NC	2,000,000	0	2,000,000	2,000,000	1,500,000	2,000,000	9,500,000
5370	5370	-- OFFICE EQUIPMENT	Formula Fnds Tollway		275,000	NC: NC	275,000	0	275,000	275,000	275,000	275,000	1,375,000
5371	5371	-- EQUIPMENT & VEHIC MECH	Formula Fnds Tollway		1,500,000	NC: NC	1,500,000	0	2,000,000	1,000,000	1,000,000	1,000,000	6,500,000
5372	5372	-- IT COMPONENTS & SERVICES	100% Ser. Bd.		1,000,000	NC: NC	1,000,000	0	0	0	0	998,000	1,998,000
5372	5372	-- IT COMPONENTS & SERVICES	Formula Fnds Tollway		850,000	NC: NC	850,000	0	1,000,000	1,823,000	1,000,000	1,000,000	5,673,000
5373	5373	-- POLICE VEHICLES	Formula Fnds Tollway		500,000	NC: NC	500,000	0	500,000	500,000	500,000	500,000	2,500,000
5374	5374	-- STORAGE EQUIPMENT	Formula Fnds Tollway		600,000	NC: NC	600,000	0	0	0	0	0	600,000
5375	5375	-- 547 BUILDING SYS IMPROVEMENTS	Formula Fnds Tollway		250,000	NC: NC	250,000	0	200,000	250,000	250,000	250,000	1,200,000
5376	5376	-- LASALLE FIRE PROTECTION	Formula Fnds Tollway		520,000	NC: NC	520,000	0	0	0	0	0	520,000

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total
Total 4 Support Facilities & Equipment				34,459,181		34,459,181	0	19,513,798	11,348,000	12,725,000	13,123,000	91,168,979
5 Stations & Passenger Facilities												
4484	4484	-- Auburn Gresham Station		0	100%: IDOT	20,000,000	20,000,000	0	0	0	0	20,000,000
4486	4486	-- Peterson Ridge Station		0	100%:	15,000,000	15,000,000	0	0	0	0	15,000,000
4675	4675	-- Blue Island Vermont Street Station	Ser. Bd. ICE 2010	60,004	NC: NC	60,004	0	0	0	0	0	60,004
4675	4675	-- Blue Island Vermont Street Station	Ser. Bd. ICE 2012	1,000,879	NC: NC	1,000,879	0	0	0	0	0	1,000,879
4782	4782	-- HUBBARD WOODS STATION	Formula Fnds Tollway	5,530,000	NC: NC	5,530,000	0	0	0	0	0	5,530,000
4878	4878	-- WEST CHICAGO STATION	Formula Fnds Tollway	0	NC: NC	0	0	5,000,000	0	0	0	5,000,000
5077	5077	-- STATION SIGNS	Formula Fnds Tollway	0	NC: NC	0	0	500,000	0	0	250,000	750,000
5380	5380	-- ADA IMPROVEMENTS	Formula Fnds Tollway	3,000,000	NC: NC	3,000,000	0	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
5381	5381	-- SYSTEMWIDE STATION IMPS	Formula Fnds Tollway	500,000	NC: NC	500,000	0	700,000	1,000,000	500,000	500,000	3,200,000
5382	5382	-- STATION FAC IMPROVEMENTS	Formula Fnds Tollway	1,500,000	NC: NC	1,500,000	0	1,500,000	1,250,000	1,500,000	2,000,000	7,750,000
5383	5383	-- PARKING LOT IMPROVEMENTS	Formula Fnds Tollway	500,000	NC: NC	500,000	0	500,000	500,000	500,000	500,000	2,500,000
5384	5384	-- ELMHURST	100% Ser. Bd.	1,000,000	NC: NC	1,000,000	0	1,000,000	0	0	0	2,000,000
5385	5385	-- NEW LENOX	100% Ser. Bd.	1,000,000	NC: NC	1,000,000	0	1,000,000	0	0	0	2,000,000
EA-100	EA-100	-- BICYCLE PARKING	CMAQ Ser. Bd.	0	NC: NC	0	0	0	382,400	0	0	382,400
EC-00	EC-00	-- 147TH STREET STATION	100% Bond	0	NC: NC	0	0	5,000,000	0	0	0	5,000,000
Total 5 Stations & Passenger Facilities				14,090,883		49,090,883	35,000,000	18,200,000	6,132,400	5,500,000	6,250,000	85,173,283
6 Miscellaneous												
5195	5195	-- ENGINEERING ASSET MANAGEMENT	Formula Fnds Tollway	750,000	NC: NC	750,000	0	500,000	1,000,000	0	0	2,250,000
5390	5390	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	500,000	NC: NC	500,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000
5391	5391	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	500,000	NC: NC	500,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000
5392	5392	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	2,000,000	2,000,000	2,000,000	2,000,000	9,000,000
5393	5393	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	1,500,000	2,000,000	2,000,000	2,000,000	8,500,000
5394	5394	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	500,000	NC: NC	500,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000
5395	5395	-- INFRASTRUCTURE ENGINEERING	Formula Fnds Tollway	1,600,000	NC: NC	1,000,000	(600,000)	2,000,000	2,000,000	2,000,000	2,500,000	9,500,000
5396	5396	-- UNANTICIPATED CAPITAL	100% Ser. Bd.	600,000	NC: NC	600,000	0	888,000	1,000,000	800,000	800,000	4,088,000

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total
ICE2021	ICE2021	-- RTA ICE FUNDED PROJECTS - TBD	100%ICE 2021	0	NC: NC	0	0	0	5,245,654	0	0	5,245,654
Total 6 Miscellaneous				6,450,000		5,850,000	(600,000)	9,888,000	16,245,654	9,800,000	10,300,000	52,083,654
8 Contingencies & Administration												
5397	5397	-- LOCALLY FUNDED PROJECTS / MATCH	100% Ser. Bd.	87,459	NC: NC	87,459	0	1,234,000	758,600	1,000,000	1,035,000	4,115,059
5398	5398	-- PROJECT ADMINISTRATION	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	1,600,000	1,000,000	1,000,000	1,000,000	5,600,000
5399	5399	-- CONTINGENCIES	Formula Fnds Tollway	900,441	NC: NC	900,441	0	740,153	1,632,356	938,379	888,138	5,099,467
5399	5399	-- CONTINGENCIES	Formula Fnds Tollway	1,000,000	NC: NC	1,000,000	0	818,416	1,000,036	927,000	1,027,244	4,772,696
Total 8 Contingencies & Administration				2,987,900		2,987,900	0	4,392,569	4,390,992	3,865,379	3,950,382	19,587,222
Total				281,357,366		371,564,634	90,207,268	271,671,367	203,045,046	199,480,379	259,989,824	1,305,751,250
Total Metra				281,357,366		371,564,634	90,207,268	271,671,367	203,045,046	199,480,379	259,989,824	1,305,751,250

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	Current	2020	2021	2022	2023	Total
Pace												
Bus												
<u>1 Rolling Stock</u>												
5375	5375	-- Purchase CNG Buses		0	-- Volkswagen: Ser. Bd.	3,076,920	3,076,920	0	0	0	0	3,076,920
5400	5400	-- Purchase approximately 18 40' Fixed Route Buses	5307 Tollway	0	NC: NC	0	0	0	0	9,000,000	0	9,000,000
5401	5401	-- Purchase approximately Fixed Route Buses (30' and OTR Coach)	5307 Tollway	14,000,000	NC: NC	16,149,967	2,149,967	13,200,000	11,200,000	8,000,000	10,000,000	58,549,967
5402	5402	-- Purchase approximately 305 Paratransit Vehicles	5339 Tollway	1,999,791	NC: NC	2,277,703	277,912	0	1,733,675	0	0	4,011,378
5402	5402	-- Purchase approximately 305 Paratransit Vehicles	5307 Tollway	3,185,000	NC: NC	3,185,000	0	4,160,000	2,491,325	3,380,000	3,250,000	16,466,325
5403	5403	-- Purchase approximately 69 Community/On-Demand Vehicles	5339 Tollway	0	NC: NC	0	0	1,689,806	0	1,778,684	1,824,861	5,293,351
5404	5404	-- Purchase approximately 187 Vanpool Vehicles	100% CMAQ	7,520,000	NC: NC	7,520,000	0	0	0	0	0	7,520,000
5405	5405	-- Engine/Transmission Retrofits	5307 Tollway	0	NC: NC	0	0	2,002,844	2,001,729	2,018,670	2,002,292	8,025,535
Total 1 Rolling Stock				26,704,791		32,209,590	5,504,799	21,052,650	17,426,729	24,177,354	17,077,153	111,943,476
<u>4 Support Facilities & Equipment</u>												
5313	5313	-- New Northwest Division Garage	100% Pace Bond	46,800,000	NC: NC	46,800,000	0	0	0	0	0	46,800,000
5313	5313	-- New Northwest Garage		0	100%: Ser. Bd.	1,882,880	1,882,880	0	0	0	0	1,882,880
5313	5313	-- New Northwest Garage		0	100%: Bond	3,645,371	3,645,371	0	0	0	0	3,645,371
5410	5410	-- Improve Support Facilities	100% Bond	0	NC: NC	0	0	7,900,000	0	0	0	7,900,000
5410	5410	-- Improve Support Facilities	100% Bond	0	NC: NC	0	0	0	0	0	6,500,000	6,500,000
5410	5410	-- Improve Support Facilities	5307 Tollway	2,062,530	NC: NC	2,062,530	0	0	2,000,000	0	0	4,062,530
5411	5411	-- Computer Systems Hardware & Software	5307 Tollway	500,000	NC: NC	500,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,500,000
5412	5412	-- Support Equipment/Non-Revenue Vehicles	5307 Tollway	600,000	NC: NC	600,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,600,000
5413	5413	-- Farebox System	5307 Tollway	250,000	NC: NC	250,000	0	5,000,000	5,000,000	5,000,000	2,500,000	17,750,000
5414	5414	-- Associated Capital	5307 Tollway	6,000,000	NC: NC	6,000,000	0	4,000,000	3,000,000	0	5,000,000	18,000,000
5415	5415	-- Preventive Maintenance	5307 Tollway	3,000,000	NC: NC	3,000,000	0	7,250,000	6,980,000	6,808,000	6,633,000	30,671,000
5416	5416	-- Office Equipment/Furniture	5307 Tollway	100,000	NC: NC	100,000	0	500,000	500,000	500,000	500,000	2,100,000
Total 4 Support Facilities & Equipment				59,312,530		64,840,781	5,528,251	26,650,000	19,480,000	14,308,000	23,133,000	148,411,781
<u>5 Stations & Passenger Facilities</u>												
5420	5420	17-94-0035 -- Improve Passenger Facilities	100% Discr.	242,266	NC: NC	242,266	0	0	0	0	0	242,266

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	Total
5420	5420	17-94-0035 -- Improve Passenger Facilities	100% SCIP 2	985,364	NC: NC	985,364	0	0	0	0	0	985,364
5420	5420	-- Improve Passenger Facilities	5307 Tollway	0	NC: NC	0	0	0	3,359,488	2,250,000	7,500,000	13,109,488
5420	5420	-- Improve Passenger Facilities0	100% CMAQ	0	NC: NC	0	0	0	10,040,512	0	0	10,040,512
5421	5421	-- Bus Stop Shelters/Signs	5307 Tollway	750,000	NC: NC	750,000	0	1,000,000	1,000,000	1,000,000	1,000,000	4,750,000
5422	5422	-- Bus Tracker Sign Deployment	5307 Tollway	500,000	NC: NC	500,000	0	0	0	0	0	500,000
5423	5423	-- Posted Stops Only Conversion	5307 Tollway	750,000	NC: NC	750,000	0	500,000	500,000	500,000	500,000	2,750,000
5424	5424	-- Joliet Transit Center	5307 Tollway	7,500,000	NC: NC	7,500,000	0	0	0	0	0	7,500,000
5425	5425	-- Orland Square Mall Passenger Facility	100% Ser. Bd.	600,000	NC: NC	600,000	0	0	0	0	0	600,000
Total 5 Stations & Passenger Facilities				11,327,630		11,327,630	0	1,500,000	14,900,000	3,750,000	9,000,000	40,477,630
<u>6 Miscellaneous</u>												
5430	5430	-- Unanticipated Capital	100% Ser. Bd.	250,000	NC: NC	250,000	0	250,000	250,000	250,000	250,000	1,250,000
5435	5435	-- Transit Asset Management (TAM) Program	100% Discr.	250,000	NC: NC	250,000	0	0	0	0	0	250,000
Total 6 Miscellaneous				500,000		500,000	0	250,000	250,000	250,000	250,000	1,500,000
Total				97,844,951		108,878,001	11,033,050	49,452,650	52,056,729	42,485,354	49,460,153	302,332,887
Total Pace				97,844,951		108,878,001	11,033,050	49,452,650	52,056,729	42,485,354	49,460,153	302,332,887

			Current		Proposed		Proposed vs.					
			Source	Budget	Source	Budget	<u>Current</u>	2020	2021	2022	2023	Total
RTA												
System												
<u>6 Miscellaneous</u>												
9999	9999	16-94-0006 -- Access to Transit Program	100% RTA Capital Reserves	250,000	NC: NC	250,000	0	0	0	0	0	250,000
Total 6 Miscellaneous				250,000		250,000	0	0	0	0	0	250,000
Total				250,000		250,000	0	0	0	0	0	250,000
Total RTA				250,000		250,000	0	0	0	0	0	250,000
</												

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE EXECUTION OF FEDERAL §5307, INCLUDING §5340 URBANIZED AREA FORMULA PROGRAM, §5337 STATE OF GOOD REPAIR PROGRAM, §5339 BUS AND BUS FACILITIES FORMULA PROGRAM AND §5310 ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES PROGRAM FUNDING ALLOCATION AGREEMENTS BETWEEN NORTHEASTERN ILLINOIS, NORTHWESTERN INDIANA AND SOUTHEASTERN WISCONSIN

WHEREAS, the Regional Transportation Authority (the "Authority") receives funds made available from the Federal Transit Administration (the "FTA") under §5307 and §5340 (Urbanized Area), §5337 (State of Good Repair), §5339 (Bus and Bus Facilities) and §5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) based on the federal Fixing America's Surface Transportation (FAST) Act;

WHEREAS, the total funds made available to the Chicago, Illinois/Northwestern Indiana/Southeastern Wisconsin urbanized areas are allocated by agreements between the Authority and the Northwestern Indiana Regional Planning Commission (NIRPC) for §5307, including §5340, §5339 and §5310; and among the Authority, NIRPC and the Northern Indiana Commuter Transportation District (NICTD) for §5337; as well as between the Authority and the Southeastern Wisconsin Regional Planning Commission (SEWRPC) for §5307, including §5340, §5339 and §5310 funding;

WHEREAS, the agreements regarding the allocation of these funds are set forth in the Letters of Understanding for the life of FAST Act and Annual Attachments for Federal Fiscal Year 2019; and

WHEREAS, it is in the best interest of the Authority to execute the Annual Attachments to the Letters of Understanding that were approved on April 26, 2016, in order to facilitate the submission of grant applications to the FTA in a timely manner.

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

- 1) The Board of Directors of the Authority hereby authorizes and approves the execution of the §5307, including §5340, §5337, §5339 and §5310 Annual Attachments to the Letters of Understanding for federal fiscal year 2019.
- 2) The Executive Director of the Authority is hereby authorized and directed on behalf of the Authority to execute and deliver §5307, including §5340, §5337, §5339 and §5310 Annual Attachments to the Letters of Understanding for federal fiscal year 2019 hereto as Attachment 1.
- 3) The Executive Director of the Authority is authorized and directed to take such other actions as the Executive Director deems necessary or appropriate to implement, administer and enforce this ordinance and said Annual Attachments to the Letters of understanding thereto.

ORDINANCE NO.

WHEREAS, Section 2.01c of the Regional Transportation Authority Act, as amended, (the “Act”) provides that the Regional Transportation Authority (the “Authority”) “shall establish an Innovation, Coordination, and Enhancement Fund;”

WHEREAS, Section 2.01c of the Act provides that the fund “be used to enhance the coordination and integration of public transportation and develop and implement innovations to improve the quality and delivery of public transportation;”

WHEREAS, Section 2.01c of the Act further states that “ Any grantee that receives funds from the Innovation, Coordination, and Enhancement Fund for the operation of eligible programs must (i) implement such programs within one year of receipt of such funds and (ii) within 2 years following commencement of any program utilizing such funds, determine whether it is desirable to continue the program, and upon such a determination, either incorporate such program into its annual operating budget and capital program or discontinue such program. No additional funds from the Innovation, Coordination, and Enhancement Fund may be distributed to a grantee for any individual program beyond 2 years unless the Authority by the affirmative vote of at least 12 of its then Directors waives this limitation. Any such waiver will be with regard to an individual program and with regard to a one year-period, and any further waivers for such individual program require a subsequent vote of the Board;”

WHEREAS, CTA has requested a twelve-month extension on the deadline for completing one CTA ICE project and Metra has requested a scope adjustment to a project funded by ICE Funds;

WHEREAS, CTA and Metra have provided appropriate justification for the requested time extension and scope adjustment;

WHEREAS, it is in the best interest of the Authority to facilitate the expeditious implementation of the approved projects.

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

ICE funds in the amount of \$0.53M will be de-obligated from the following completed projects:

- CTA - (0200) – MMIS Modules and Upgrades (CTA-2015A-SBICE12)- \$0.24M
- CTA - (0338) – Bus Communication Devices - (CTA-2014C-SBICE13) - \$0.29M

and will be obligated to the following project:

- CTA - (0187) – Software and Hardware Enhancements to Improve Efficiency (CTA-2012B-SBICE12) - \$0.53M.

The deadline for expending ICE project funds will be extended by twelve months for the following ICE project:

- CTA - (0187) – Software and Hardware Enhancements to Improve Efficiency (CTA-2012B-SBICE12)

A scope adjustment will be made to the following project:

- Metra - (5176) – Luminous Platform Signs. This adjustment will allow signs to be installed at Downtown Chicago Locations.
-

ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5307 and Section 5340 combined funds between Northeastern Illinois and Northwestern Indiana for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$260,309,398** apportionment currently available under Fixing America's Surface Transportation (FAST) Act to the Chicago, Illinois/Indiana Urbanized Area (UZA), published April 9, 2019, **\$12,223,256** is the amount sub-allocated to Northwestern Indiana and **\$248,086,142** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.

REGIONAL TRANSPORTATION AUTHORITY

By: _____

Name and Title: Leanne P. Redden, Executive Director

Date: _____

NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION

By: _____

Name and Title: Tyson Warner, Executive Director

Date: 4/23/19

**ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019**

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5307 and Section 5340 combined funds between Northeastern Illinois and Southeastern Wisconsin for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$5,225,270** apportionment currently available under Fixing America's Surface Transportation (FAST) Act to the Round Lake Beach, McHenry, Grayslake, IL-WI Urbanized Area (UZA), published on April 9, 2019, **\$183,763** is the amount sub-allocated to Southeastern Wisconsin and **\$5,041,508** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.
- Funds allocated to the Wisconsin portion of the Round Lake Beach UZA are to revert to the RTA one year before their expiration if they have not been included in a grant application.

REGIONAL TRANSPORTATION AUTHORITY

By: _____
Name and Title: Leanne P. Redden, Executive Director

Date: _____

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

By: _____
Name and Title: Kevin Muhs, AICP, P.E., Executive Director

Date: 4/24/2019

**ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019**

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program funds between Northeastern Illinois and Northwestern Indiana for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$6,630,296** currently available under Fixing America's Surface Transportation (FAST), published on April 9, 2019, to the Chicago, Illinois/Indiana Urbanized Area (UZA) **\$454,044** is the amount sub-allocated to Northwestern Indiana and **\$6,176,252** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.
- In the event the Designated Recipient within the geographic area of NIRPC do not apply to the FTA for the FFY 2019 funds referenced in this attachment within three years of the execution of this attachment to the Letter of Understanding, these funds will revert to the RTA.

REGIONAL TRANSPORTATION AUTHORITY

By: _____ *nr*

Name and Title: Leanne P. Redden, Executive Director

Date: _____

NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION

By: _____ *Tyson Warner*

Name and Title: Tyson Warner, Executive Director

Date: 4/23/19

Rejected, FW

**ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019**

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program funds between Northeastern Illinois and Southeastern Wisconsin for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the \$201,968 apportioned for FFY 2019 under Fixing America's Surface Transportation (FAST) Act), published on April 9, 2019 to the Round Lake Beach, McHenry, Grayslake, IL-WI Urbanized Area (UZA), \$21,257 is the amount sub-allocated to Southeastern Wisconsin and \$180,711 is the amount sub-allocated to Northeastern Illinois through September 30, 2019.
- Funds allocated to the Wisconsin portion of the Round Lake Beach UZA are to revert to the RTA one year before their expiration if they have not been included in a grant application.

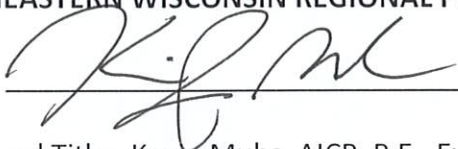
REGIONAL TRANSPORTATION AUTHORITY

By: _____ 

Name and Title: Leanne P. Redden, Executive Director

Date: _____

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

By:  _____

Name and Title: Kevin Muhs, AICP, P.E., Executive Director

Date: 4/24/2019

**ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION
AND
NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT
FOR
FEDERAL FISCAL YEAR 2019**

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5337 funds between Northeastern Illinois and Northwestern Indiana for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$281,982,447** apportionment currently available under Fixing America's Surface Transportation (FAST) Act to the Chicago, Illinois/Indiana Urbanized Area (UZA), published on April 9, 2019, **\$16,783,679** is the amount sub-allocated to Northwestern Indiana and **\$265,198,769** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.

REGIONAL TRANSPORTATION AUTHORITY

By: _____

Name and Title: Leanne P. Redden, Executive Director



Date: _____

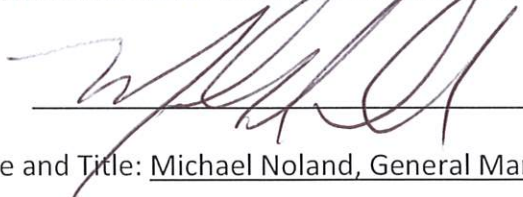
NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION

By:  _____

Name and Title: Tyson Warner, Executive Director

Date: 4/23/19

NORTHERN INDIANA COMMUTER TRANSPORTATION DISTRICT

By:  _____

Name and Title: Michael Noland, General Manager

Date: 4/25/19

**ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019**

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5339 funds between Northeastern Illinois and Northwestern Indiana for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$16,117,560** apportionment currently available under Fixing America's Surface Transportation (FAST) Act to the Chicago, Illinois/Indiana Urbanized Area (UZA), published on April 9, 2019, **\$548,179** is the amount sub-allocated to Northwestern Indiana and **\$15,569,381** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.

REGIONAL TRANSPORTATION AUTHORITY

By: _____

Name and Title: Leanne P. Redden, Executive Director

Date: _____

NORTHWESTERN INDIANA REGIONAL PLANNING COMMISSION

By: _____

Name and Title: Tyson Warner, Executive Director

Date: 4/23/19

ATTACHMENT TO THE LETTER OF UNDERSTANDING
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY
AND
SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION
FOR
FEDERAL FISCAL YEAR 2019

This attachment to the Letter of Understanding specifies the allocation of Federal Transit Administration Section 5339 funds between Northeastern Illinois and the Southeastern Wisconsin Regional Planning Commission (SEWRPC) for Federal Fiscal Year (FFY) 2019. This attachment is valid for funding for FFY 2019 only.

- As agreed, of the **\$331,427** apportionment currently available under Fixing America's Surface Transportation (FAST) Act to the Round Lake Beach, McHenry, Grayslake, IL-WI Urbanized Area (UZA), published on April 9, 2019, **\$19,905** is the amount sub-allocated to Southeastern Wisconsin and **\$311,522** is the amount sub-allocated to Northeastern Illinois through September 30, 2019.
- Funds allocated to the Wisconsin portion of the Round Lake Beach UZA are to revert to the RTA one year before their expiration if they have not been included in a grant application.

REGIONAL TRANSPORTATION AUTHORITY

By: _____ 

Name and Title: Leanne P. Redden, Executive Director

Date: _____

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

By:  _____

Name and Title: Kevin Muhs, AICP, P.E., Executive Director

Date: 04/24/2019

To: Audit Committee

From: Leanne P. Redden, Executive Director

Date: June 13, 2019

Re: ORDINANCE APPROVING THE COMBINING FINANCIAL REPORT AND CERTIFYING
COMPLIANCE WITH THE RTA ACT RECOVERY RATIO REQUIREMENT FOR 2018



**Regional
Transportation
Authority**

175 W. Jackson Blvd,
Suite 1650
Chicago, IL 60604
312-913-3200
rtachicago.org

Action Requested

The Audit Committee is asked to recommend Board adoption of the attached ordinance, which 1) approves the 2018 Combining Financial Report for the RTA and the Service Boards and 2) certifies compliance with the RTA Act recovery ratio requirement for 2018.

Background

Section 4.05 of the RTA Act requires that the RTA annually prepare a report “consolidating the audits of the Service Boards and reviewing the State of the Authority, the Service Boards and of the public transportation provided by the various Service Boards and transportation agencies.” In order to comply with the RTA Act, the Combining Financial Report is prepared and filed with the Governor, the State Comptroller, the Speaker and Minority Leader of the Illinois House of Representatives, the President and Minority Leader of the Illinois Senate, the Mayor of the City of Chicago, the President or Chairman of the county board for each county in the metropolitan region, each Service Board, and each transportation agency that has a purchase of service agreement with, or receives financial assistance from, a Service Board. The RTA Act specifies a deadline of six months after the end of each fiscal year (i.e. June 30) for the filing of this report.

Section 4.09(g) of the RTA Act requires the RTA Board to determine whether “the aggregate of all system-generated revenues for public transportation in the metropolitan region, which is provided by, or under grant or purchase of service contracts with, the Service Boards equals 50% of the aggregate of all costs of providing such public transportation.”

Section 4.01 (b)(ii) of the RTA Act also requires the RTA Board to determine that the level of fares charged for ADA paratransit services is sufficient to cause the aggregate of all projected revenues from such fares charged and received in each fiscal year to equal at least 10% of the aggregate costs of providing such ADA paratransit services in fiscal year 2018.

Results

The final draft of the 2018 Combining Financial Report is attached for your review and approval.

Combining Financial Report

The RTA Act also requires an audit of the financial statements for the RTA and each Service Board by an independent certified public accountant. The Combining Financial Report then consolidates these audited financial statements as required by the RTA Act. The CTA audit for 2018 was done by Crowe Horwath LLP, the PACE audit was done by Baker Tilly International and the Metra audit was done by KPMG LLP. The Combining Financial Statements were compiled by RSM US LLP, who also performed the RTA agency audit.

Recovery Ratio

The attached Combining Financial Report for 2018, which contains the consolidated audited operating results of the entire regional transportation system for 2018, reports that the 2018 final system-generated recovery ratio was 52.59% for mainline service and 10.36 % for regional ADA paratransit service, thus satisfying the legislative requirements.

Prepared by: Department of Finance, Innovation and Technology

LPR/BH/jy
Attachment.

ORDINANCE NO.

WHEREAS, Section 4.05 of the Regional Transportation Authority Act (the “Act”), requires that the Regional Transportation Authority (the “Authority”) annually prepare a report “consolidating the audits of the Service Boards and reviewing the State of the Authority, the Service Boards and of the public transportation provided by the various Service Boards and transportation agencies... .”

WHEREAS, in order to comply with the Act, the Authority’s and Service Boards’ Combining Financial Report (the “Report”) is prepared and included in the Authority’s Annual Report;

WHEREAS, Section 4.09 (g) of the Act requires the Board of Directors of the Authority (the “RTA Board”) to determine whether the aggregate of all system-generated revenues for public transportation in the metropolitan region, which is provided by, or under grant or purchase of service contracts with, the Service Boards equals 50% of the aggregate of all costs of providing such public transportation;

WHEREAS, Section 4.01 (b)(ii) of the Act also requires the RTA Board to determine that the level of fares charged for ADA paratransit services is sufficient to cause the aggregate of all projected revenues from such fares charged and received in each fiscal year to equal at least 10% of the aggregate costs of providing such ADA paratransit services in such fiscal year;

WHEREAS, the Report for 2018, which contains the combined audited operating results of the entire regional transportation system for 2018, reports that the 2018 final system-generated revenue recovery ratio was 52.59% for mainline service and 10.36% for regional ADA paratransit service; and

WHEREAS, the RTA Act requires the Report to be filed within six months of the end of each fiscal year (i.e. June 30) with the Governor, the State Comptroller, the Speaker and Minority Leader of the Illinois House of Representatives, the President and Minority Leader of the Illinois Senate, the Mayor of the City of Chicago, the President or Chairman of the county board for each county in the metropolitan region, each Service Board, and each transportation agency that has a purchase of service agreement or receives financial assistance from a Service Board.

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

1. The RTA Board hereby approves the attached 2018 Combining Financial Report, as prepared by the staff of the Authority, for the year ended December 31, 2018.
2. The RTA Board hereby certifies that the 2018 aggregate of all system-generated revenues for public transportation in the metropolitan region, which is provided by, or under grant or purchase of service contracts with, the Service Boards is compliant with the RTA Act.
3. The Chairman of the Authority is hereby authorized and directed to transmit the Report to the parties specified in Section 4.05 of the Act, and to others upon request.

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS



SPECIAL-PURPOSE COMBINING FINANCIAL STATEMENTS



2018 Report

***Regional Transportation Authority and
Service Boards***

*Special-Purpose Combining Financial Statements
for the Year Ended December 31, 2018 and
Independent Accountant's Compilation Report*

Draft

**REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS
SPECIAL-PURPOSE COMBINING FINANCIAL STATEMENTS**

YEAR ENDED DECEMBER 31, 2018

(See Independent Accountant's Compilation Report)

Draft

Prepared by:

Department of Finance, Innovation and Technology

**Bea Reyna-Hickey, CFO
Senior Deputy Executive Director**

and

Controller Division

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

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**Regional
Transportation
Authority**

June 21, 2019

Board of Directors
Regional Transportation Authority
175 West Jackson Boulevard, Suite 1650
Chicago, Illinois 60604

Dear Directors:

I have the pleasure to submit to you the Combining Financial Statements Report for the Regional Transportation Authority, the Chicago Transit Authority, the Commuter Rail Division and the Suburban Bus Division for the year ended December 31, 2018. This report fulfills the requirements of Section 4.05 of the RTA Act. This Report represents the operations of our transit system in the aggregate and not as individual components. It shows the magnitude of the resources on hand and in use for public transportation in the Northeastern Illinois Region.

The RTA's independent accountants have compiled the Combining Financial Statements Report. They have not subjected these statements to audit. The audited financial statements of each individual organization are available upon request. As always, the RTA staff acknowledges the commitment by the RTA Board and the Service Boards to fiscal responsibility, to ensure financially sound public transportation in northeastern Illinois.

Sincerely,

Bea Reyna-Hickey
CFO, Senior Deputy Executive Director,
Finance, Innovation and Technology
Regional Transportation Authority



Metra



Independent Accountant's Compilation Report

To the Board of Directors
Regional Transportation Authority
Chicago, Illinois

Management is responsible for the accompanying special-purpose combining statement of net position of the Regional Transportation Authority and Service Boards as of December 31, 2018, and the related special-purpose combining statements of revenues and expenses and changes in net position, and special-purpose combining statement of cash flows for the year then ended, the related notes to the special-purpose combining financial statements (collectively, the special-purpose combining financial statements), in accordance with the Regional Transportation Authority Act (Act) and for determining that the requirements of the Act is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the accompanying special-purpose combining financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these special-purpose combining financial statements.

We draw attention to Note 1 of the special-purpose combining financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Regional Transportation Authority Act, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matter

The accompanying supplementary information and statistical information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Chicago, Illinois
REPORT DATE

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

SPECIAL-PURPOSE COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2018

(In Thousands)

	Service Boards						
	RTA	Chicago	Commuter	Suburban	Combining		Total
	Government -	Transit	Rail	Bus	Adjustments		
	Wide	Authority	Division	Division	Debit	Credit	Combined
ASSETS:							
CURRENT ASSETS:							
Cash and investments:							
Cash and cash equivalents	\$ 121,878	\$ 49,354	\$ -	\$ -	\$ -	\$ -	\$ 171,232
Unrestricted - cash and cash equivalents	-	57,769	\$ 47,516	56,295	-	-	161,580
Restricted - investments	150,468	-	283,943	1,204	-	-	435,615
Unrestricted - investments	336,475	43,691	-	-	-	-	380,166
Receivables:							
Intergovernmental receivables	435,972	-	-	-	-	-	435,972
Grant projects	-	-	71,373	4,211	-	26,199	49,385
RTA financial assistance	-	314,019	101,392	54,377	-	153,397	316,391
Other receivables	-	195,166	3,974	14,106	-	1,948	211,298
Accrued interest on investments	202	-	-	-	-	-	202
Materials and supplies inventory	-	30,702	14,808	6,719	-	-	52,229
Prepaid expenses and other assets	2,467	5,574	5,061	1,952	-	-	15,054
Total current assets	1,047,462	696,275	528,067	138,864	-	181,544	2,229,124
Capital assets:							
Plant, property and equipment	11,980	12,021,499	7,727,420	762,082	-	-	20,522,981
Capital projects in progress	-	633,054	-	26,152	-	-	659,206
Less accumulated depreciation	(9,280)	(7,718,007)	(4,795,993)	(460,409)	-	-	(12,983,689)
Total capital assets	2,700	4,936,546	2,931,427	327,825	-	-	8,198,498
Other assets:							
Prepaid insurance bonds	2,472	-	-	-	-	-	2,472
Net pension asset	-	634	-	-	-	-	634
Restricted cash and investments with Trustee	-	429,758	-	-	-	-	429,758
Total other assets	2,472	430,392	-	-	-	-	432,864
TOTAL ASSETS	1,052,634	6,063,213	3,459,494	466,689	-	181,544	10,860,486
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred loss on refunding	-	13,317	-	-	-	-	13,317
Pension related amounts	4,824	171,722	12,242	9,828	-	-	198,616
OPEB related amounts	-	-	10	1,278	-	-	1,288
Total assets and deferred outflows of resources	\$ 1,057,458	\$ 6,248,252	\$ 3,471,746	\$ 477,795	\$ -	\$ 181,544	\$ 11,073,707

(Continued)

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

SPECIAL-PURPOSE COMBINING STATEMENT OF NET POSITION (Continued)

DECEMBER 31, 2018

(In Thousands)

	Service Boards						
	RTA	Chicago	Commuter	Suburban	Combining		Total
	Government-	Transit	Rail	Bus	Adjustments		Combined
	Wide	Authority	Division	Division	Debit	Credit	
LIABILITIES							
CURRENT LIABILITIES:							
Accrued expenses	\$ 66,804	\$ 526,190	\$ 230,504	\$ 60,135	\$ 1,948	\$ -	\$ 881,685
Accrued interest payable	29,064	21,891	-	-	-	-	50,955
Intergovernmental payables	229,984	-	-	-	179,596	-	50,388
Current portion of long-term liabilities	180,442	210,195	-	1,200	-	-	391,837
Total current liabilities	506,294	758,276	230,504	61,335	181,544	-	1,374,865
LONG-TERM LIABILITIES:							
Long-term portion of general obligation bond, net	1,934,258	4,119,924	-	6,000	-	-	6,060,182
Other long-term liabilities	26,677	2,141,007	92,664	74,377	-	-	2,334,725
Total long-term liabilities	1,960,935	6,260,931	92,664	80,377	-	-	8,394,907
Total liabilities	2,467,229	7,019,207	323,168	141,712	181,544	-	9,769,772
DEFERRED INFLOWS OF RESOURCES:							
Deferred gain on refunding	4,791	-	-	-	-	-	4,791
Pension related amounts	3,049	-	4,541	4,274	-	-	11,864
OPEB related amounts	32	-	2,476	8	-	-	2,516
Total deferred inflows of resources	7,872	-	7,017	4,282	-	-	19,171
NET POSITION (DEFICIT):							
Invested in capital assets, net of related debt	2,697	2,510,818	2,931,428	320,625	-	-	5,765,568
Net position restricted for:							
Payment on obligations and others	-	73,101	-	1,200	-	-	74,301
Unrestricted (deficit)	(1,420,340)	(3,354,874)	210,133	9,975	1,689,539	1,689,539	(4,555,106)
TOTAL NET POSITION (DEFICIT)	\$ (1,417,643)	\$ (770,955)	\$ 3,141,561	\$ 331,800	\$ 1,689,539	\$ 1,689,539	\$ 1,284,763

See notes to special-purpose combining financial statements and independent accountant's compilation report.

(Concluded)

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

SPECIAL-PURPOSE COMBINING STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

	RTA Government- Wide Funds	Service Boards			Combining Adjustments		Total Combined
		Chicago Transit Authority	Commuter Rail Division	Suburban Bus Division	Debit	Credit	
REVENUES:							
Service Boards operating revenues	\$ -	\$ 656,076	\$ 417,057	\$ 70,502	\$ 1,545	\$ -	\$ 1,142,090
Sales taxes	137,164	-	-	-	-	1,240,655	1,377,819
Interest on sales taxes	1,074	-	-	-	-	-	1,074
Public Transportation Fund and state assistance	363,306	-	-	-	152,628	-	210,678
Operating assistance - CTA and Pace	26,971	-	-	-	12,539	-	14,432
State assistance (ASA/AFA)	129,681	-	-	-	-	-	129,681
Other intergovernmental revenues	22,784	-	-	-	-	-	22,784
Investment income	10,363	-	-	-	-	-	10,363
Program revenues and others	11,059	-	-	-	-	-	11,059
Total revenues	702,402	656,076	417,057	70,502	166,712	1,240,655	2,919,980
EXPENSES:							
Operating expenses	-	1,435,054	778,580	391,348	-	1,545	2,603,437
Depreciation	-	459,447	274,888	51,843	-	-	786,178
Financial assistance to Service Boards	218,240	-	-	-	-	218,240	-
Capital grants—discretionary	1,238	-	-	-	-	1,238	-
Capital grants—bonds	192,831	-	-	-	-	192,831	-
Operating grant - CTA and Pace	35,030	-	-	-	-	35,030	-
Insurance (JSIF)	5,424	-	-	-	-	-	5,424
Administrative expenses	18,756	-	-	-	-	-	18,756
Regional expenses	24,025	-	-	-	-	-	24,025
Technology program	577	-	-	-	-	-	577
Interest expense	95,740	-	-	-	-	-	95,740
Total expenses	591,861	1,894,501	1,053,468	443,191	-	448,884	3,534,137
OPERATING INCOME (LOSS)	110,541	(1,238,425)	(636,411)	(372,689)	166,712	1,689,539	(614,157)
NONOPERATING REVENUE (EXPENSE):							
RTA financial assistance	-	809,352	403,236	324,642	1,313,376	-	223,854
Interest expense on leasing transactions	-	(5,843)	-	-	-	-	(5,843)
Interest expense on bond transactions	-	(193,093)	-	-	-	-	(193,093)
Other public funding	-	37,774	154,701	6,470	-	-	198,945
Interfund asset allocation	-	-	-	-	-	-	-
Capital grants	-	441,162	103,062	42,145	209,451	-	376,918
Investment income	-	11,428	-	1,176	-	-	12,604
Total nonoperating revenue (expense)	-	1,100,780	660,999	374,433	1,522,827	-	613,385
CHANGE IN NET POSITION	110,541	(137,645)	24,588	1,744	1,689,539	1,689,539	(772)
NET POSITION (DEFICIT):							
Beginning of year	(1,527,765)	(626,846)	3,124,742	338,284	-	-	1,308,415
Restatement due to implementation of GASB 75	(419)	(6,464)	(7,769)	(8,228)	-	-	(22,880)
Beginning of year, as restated	(1,528,184)	(633,310)	3,116,973	330,056	-	-	1,285,535
End of year	\$ (1,417,643)	\$ (770,955)	\$ 3,141,561	\$ 331,800	\$ 1,689,539	\$ 1,689,539	\$ 1,284,763

See notes to special-purpose combining financial statements and independent accountant's compilation report.

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

SPECIAL-PURPOSE COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

	RTA Joint Self-Insurance Fund	Service Boards			Total Combined
		Chicago Transit Authority	Commuter Rail Division	Suburban Bus Division	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Fares received from passengers	\$ -	\$ 596,556	\$ 371,928	\$ 59,320	\$ 1,027,804
Payments to employees	-	(1,100,985)	(523,359)	(154,138)	(1,778,482)
Payments to vendors	(5,424)	(321,747)	(233,802)	(232,319)	(793,292)
Other receipts and payments	-	52,371	52,131	5,744	110,246
Net cash used in operating activities	(5,424)	(773,805)	(333,102)	(321,393)	(1,433,724)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Financial assistance—operating	2,999	834,979	402,822	334,217	1,575,017
Net cash provided by noncapital financing activities	2,999	834,979	402,822	334,217	1,575,017
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Interest income from assets restricted for payment of leasehold obligations	-	-	-	-	-
Repayment of lease obligations	-	(103,591)	-	-	(103,591)
Increase in assets restricted for payment of leasehold obligations	-	84,895	-	-	84,895
Financial assistance—grant projects	-	434,542	254,503	47,930	736,975
Proceeds from line of credit - note purchase agreement	-	49,250	-	-	49,250
Proceeds from issuance of Transportation Infrastructure Finance and Innovation Act (TIFIA) bonds	-	80,138	-	-	80,138
Interest expense on bonds	-	(202,782)	-	(242)	(203,024)
Repayment of bonds payable	-	(98,964)	-	(1,200)	(100,164)
Repayment of line of credit - not purchase agreement	-	(22,500)	-	-	(22,500)
Repayment of other long-term liabilities	-	(9,623)	-	-	(9,623)
Payments for capital acquisition	-	(433,990)	(265,923)	(78,534)	(778,447)
Net cash used in capital and related financing activities	-	(222,625)	(11,420)	(32,046)	(266,091)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income	350	11,428	-	1,418	13,196
Sales and purchases of investments, net	(12,951)	119,814	(42,384)	-	64,479
Net cash provided by (used in) investing activities	(12,601)	131,242	(42,384)	1,418	77,675
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15,026)	(30,209)	15,916	(17,804)	(47,123)
CASH AND CASH EQUIVALENTS—Beginning of year	22,269	137,332	31,600	75,303	266,504
CASH AND CASH EQUIVALENTS—End of year	\$ 7,243	\$ 107,123	\$ 47,516	\$ 57,499	\$ 219,381
RECONCILIATION OF OPERATING ACTIVITIES:					
Net loss from operations	\$ (5,424)	\$ (1,238,425)	\$ (636,410)	\$ (372,689)	\$ (2,252,948)
Adjustments to reconcile operating loss to net cash flows from operating activities:					
Depreciation	-	459,447	274,888	51,842	786,177
Claims provision and settlement	-	-	9,429	-	9,429
State reduced fare assistance	-	-	(1,672)	-	(1,672)
Changes in current assets and liabilities	-	5,173	20,663	(546)	25,290
NET CASH USED IN OPERATING ACTIVITIES	\$ (5,424)	\$ (773,805)	\$ (333,102)	\$ (321,393)	\$ (1,433,724)
AMOUNTS REPORTED IN THE STATEMENT OF NET POSITION:					
Cash	\$ 3,251	-	-	-	\$ 3,251
Cash equivalents (maturities less than 90 days): Money market fund	3,992	-	-	-	3,992
NET AMOUNTS REPORTED IN THE STATEMENT OF NET POSITION	\$ 7,243	-	-	-	\$ 7,243
NONCASH INVESTING AND FINANCING ACTIVITIES:					
Accretion of interest on lease/leaseback obligation	\$ -	\$ 1,967	\$ -	\$ -	\$ 1,967
Recognition of leasing proceeds	-	-	-	-	-
Retirement of fully depreciated capital assets	-	35,720	-	-	35,720
Purchases of capital assets in accounts payable at year-end	-	78,796	-	5,184	83,980
Unbilled work in progress	-	154,922	-	-	154,922
NET NONCASH INVESTING AND FINANCING ACTIVITIES	\$ -	\$ 271,405	\$ -	\$ 5,184	\$ 276,589

See notes to special-purpose combining financial statements and independent accountant's compilation report.

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

NOTES TO SPECIAL-PURPOSE COMBINING FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2018 (See Independent Accountant's Compilation Report)

NOTE 1. PRESCRIBED BASIS FOR REPORTING

The accompanying special purpose combining financial statements are presented as required by the Regional Transportation Authority (RTA) Act (Act) and are not intended to be presented in accordance with accounting principles generally accepted in the United States of America. These financial statements combine the assets, liabilities, net position, revenues and expenses of the RTA and the Service Boards (CTA, Metra and PACE). The special purpose combining financial statements are not in accordance with accounting principles generally accepted in the United States of America (GAAP) primarily due to a different entity perspective and due to the omission of significant disclosures. The RTA and each individual Service Board receive a separate audit of their financial statements in accordance with accounting principles generally accepted in the United States of America. These individual statements are prepared in accordance with GAAP and include all required footnote disclosures.

Inter-agency receivables, payables, revenues, and expenses have generally been eliminated in the combining adjustments columns; however, there are some differences in these amounts reported in the stand-alone financial statements of the RTA and the Service Boards. These valid differences relate primarily to differences in timing in the recording of certain transactions. For purposes of these combining financial statements, such differences are recorded as combining adjustments to net position.

The columns presenting the combined balances for the RTA and Service Boards are statutorily required and do not present financial position, results of operations, or cash flows in conformity with accounting principles generally accepted in the United States of America.

NOTE 2. ORGANIZATIONAL STRUCTURE

RTA

The Regional Transportation Authority (RTA or Authority) was established in 1974 upon the approval of a referendum in its six-county Northeastern Illinois Region. The operating responsibilities of the RTA are set forth in the Act. The RTA is a unit of local government, body politic, political subdivision, and municipal corporation of the State of Illinois. As initially established, the RTA was an operating entity responsible for providing day-to-day bus and rail transportation services. However, in 1983, the Illinois General Assembly reorganized the structure and funding of the RTA from an operating entity to a planning, funding, and oversight entity. The reorganization placed all operating responsibilities in the Chicago Transit Authority (CTA) and two operating divisions of the RTA: the Commuter Rail Division (Metra) and the Suburban Bus Division (Pace), each having its own independent board. These divisions conduct operations and deal with subsidized carriers. These three entities are defined in the Act as the "Service Boards."

The Act sets forth detailed provisions for the allocation of receipts by the RTA to the various Service Boards, and imposes a requirement that the RTA system as a whole achieves annually a "system-generated revenues recovery ratio" (i.e., aggregate income for transportation services provided) of at least 50% of the cost of transportation services. The Service Boards achieve their required recovery ratios by establishing fares and related revenue to cover the required proportion of their proposed expenses. The RTA is responsible for monitoring the budgets and financial performance of the Service Boards.

CTA

The Chicago Transit Authority (CTA) was formed in 1945 pursuant to the Metropolitan Transportation Authority Act passed by the Illinois Legislature. The CTA was established as an independent governmental agency (an Illinois municipal corporation) “separate and apart from all other government agencies” to consolidate Chicago’s public and private mass transit carriers. The City Council of the City of Chicago has granted the CTA the exclusive right to operate a transportation system for the transportation of passengers within the City of Chicago.

Metra

The Northeast Illinois Regional Commuter Railroad Corporation (NIRCRC), a public corporation, was established in 1980 to serve as the RTA’s commuter rail service. The RTA Act, as amended effective November 9, 1983, established the Commuter Rail Division (CRD) to operate commuter rail transportation services. Both the NIRCRC and the CRD act under the registered service mark known as “Metra.”

Metra has the responsibility for policy making with respect to actual day-to-day operations, capital investments, finances, fare levels, and service and facilities planning for its operations. Metra is responsible for the administration of all commuter rail activities in the metropolitan Chicago area, including deficit funding, capital grant application, and administration activities. Metra is directly responsible for the operation and management of the Rock Island, Milwaukee Road, Metra Electric, Heritage Corridor, North Central Service, and Metra Southwest Service commuter lines.

Metra also provides commuter rail service under Purchase of Service Agreements (PSA) with Union Pacific Railroad, Burlington Northern Santa Fe Railway Company, and Northern Indiana Commuter Transportation District. Under these agreements, Metra funds the commuter-related operating deficits (as defined) or is entitled to receive the commuter-related operating surpluses (as defined) of these carriers. In addition, Metra provides certain direct expenses such as fuel and insurance coverage considered to be “in-kind assistance.” The title to the roadway and structure assets of the PSA carriers, other than capital improvements funded by federal and state agencies, the RTA, and Metra, is vested with the carriers. Accordingly, such assets are not reflected in these financial statements.

Pace

The Regional Transportation Authority Act, as amended effective November 9, 1983, established a Suburban Bus Division Board empowered to operate bus service serving suburban Cook County and the five collar counties of DuPage, Kane, Lake, McHenry and Will.

On July 29, 2005, the governor signed House Bill 1663 making Pace Suburban Bus the sole provider of all ADA (American with Disabilities Act) services in the City of Chicago and the surrounding six counties. The Bill states that Pace becomes the official operator of CTA’s (Chicago Transit Authority) ADA services on July 1, 2006.

The Suburban Bus Board determines the level, nature and kind of public bus transportation services that should be provided in the suburban region. Independent operations of the Suburban Bus Division (Pace) commenced July 1, 1984 and after June 30, 2006 for ADA service in the entire RTA region. In January 2008, Public Act 95-0708 was passed which addressed the financial crisis for transit and provided additional funding for both Suburban and ADA services.

Pace operates suburban bus services in Northeastern Illinois using rolling stock and structures and equipment purchased through capital grants funded by the Federal Transit Administration (FTA), the Illinois Department of Transportation (IDOT), the Regional Transportation Authority (RTA) and Pace’s own funds.

Reporting Periods

The RTA, CTA, Metra and Pace (the Combined Entities) all report on a calendar-year basis. All statements enclosed herewith are based on each entity's December 31, 2018 year-end.

NOTE 3. REPORTING ENTITY

The RTA and each of the Service Boards have adopted the provisions of the Governmental Accounting Standards Board's (GASB) Statement No. 14 (Statement No. 14), *The Financial Reporting Entity* and GASB Statement No. 61 (Statement No. 61), *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

As defined by accounting principles generally accepted in the United States established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

Appointment of a voting majority of the component unit's board, and either: (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government; or fiscal dependency on the primary government.

Financial benefit or burden is created if any one of the following relationships exist:

- 1) The primary government is legally entitled to or has access to the component unit's resources.
- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

In addition, a component unit also includes certain organizations that the primary government is not financially accountable for if the nature and significance of their relationship, including ongoing financial support are such that exclusion from the financial reporting entity would render the entity's financial statements incomplete or misleading

In the judgment of the management of each of the entities and their analysis and application of the GASB Statements criteria, while the RTA does exercise some fiscal oversight, the Service Boards are not part of the RTA reporting entity for the purpose of preparing a comprehensive annual financial report in accordance with generally accepted accounting principles in the United States.

In arriving at this conclusion, the following factors were considered:

- The Service Boards maintain separate management, exercise control over all operations (including the fare structures), and are accountable for fiscal matters, including ownership of assets, relations with federal and state transportation funding agencies that provide financial assistance in the acquisition of these assets, and the preparation of operating budgets. The Service Boards are also responsible for the purchase of services and approval of contracts relating to their operations.
- The RTA Board has control neither in the selection nor the appointment of any Service Board Director nor of any of its management. Further, directors of the Service Boards are excluded from serving on more than one entity's board of directors, including that of the RTA.

- The Illinois statutes require the RTA Board to approve the budgets of the Service Boards to determine if such budgets meet specified system-generated revenue recovery ratios and other requirements as defined by the Act.
- The RTA is not entitled to any Service Board surplus or responsible for any Service Board deficit.

Based on these factors and applying the aforementioned criteria used to determine financial accountability, management of the RTA does not consider the Service Boards to be component units and, accordingly, the financial data of the Service Boards have been excluded from the RTA reporting entity. They are combined, however, in these Combining Financial Statements. Section 4.05 of the RTA Act requires that the RTA prepare a report combining “the audits of the Service Boards, and reviewing the state of the Authority, the Service Boards, and the public transportation agencies.”

NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant policies:

Basis of Accounting—The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Sales taxes are recognized as revenues if collected by the retailers by year-end. Grants and similar items are recognized as revenues when qualifying expenditures have been incurred and as soon as all eligibility requirements imposed by the grantors have been met. Prepaid expenses are recorded using the consumption method.

Cash and Cash Equivalents—All investments of the Combined Entities are recorded at fair market value, except short-term investments which are reported at cost or amortized cost which reasonably approximates fair market value.

For purposes of the combining statement of cash flows, the Combined Entities consider all investments with original maturities of three months or less to be cash equivalents. Such amounts are included in the “Cash and Cash Equivalents” line items on the accompanying combining statement of net position.

Capital Assets—All capital assets are recorded at cost. Costs funded by Federal Capital Grants are recorded as capital items and are included in capital assets. In calculating depreciation, the Combined Entities use the straight-line method. The estimated useful lives vary depending on the type of capital asset. These useful lives range from more than one year to forty years.

Deferred Outflows of Resources and Deferred Inflows of Resources— are a consumption (outflow) or acquisition (inflow) of net position by the government that are applicable to a future reporting period

Materials and Supplies Inventory—Each Service Board records its inventory at the lower of cost or market. The CTA and Metra use the average-cost method and Pace uses the first-in/first-out method to determine cost.

Compensated Absences—All four entities have recorded liabilities for vested vacation time in the year the time was earned. The entities account for compensated absences under GASB Statement No. 16, *Accounting for Compensated Absences*, whereby the applicable salary-related employer obligations are accrued in addition to the compensated absences liability.

Revenues—The Combined Entities have five principal sources of revenue: (1) farebox revenue; (2) retailers' occupation taxes, service occupation taxes, and use taxes (collectively, RTA Sales Taxes); (3) funds appropriated to the RTA by statute through the state's Public Transportation Fund (PTF) established under the RTA Act; (4) state or federal grants, or any other such funds, which the RTA is

authorized to apply for and receive under the RTA Act; and (5) investment income and other miscellaneous revenue.

Farebox Revenue—A major source of revenue to the Service Boards is fares collected from riders. Each Service Board has its own fare structure and method for collection of fares. Farebox revenue is recognized when fares paid are initially valid for transportation services.

Revenue/Sales Taxes

Revenues— The RTA has four principal sources of revenue: (1) retailer's occupation taxes, service occupation taxes, and use taxes (collectively, RTA Sales Tax); (2) funds appropriated to the RTA by statute through the PTF established under the Act; (3) State or Federal grants, or any other such funds, which the RTA is authorized to apply for and receive under the Act; and (4) investment income on unexpended funds held by the RTA, and other miscellaneous revenue.

Sales Tax— Prior to 2008, the RTA Sales Tax consisted of (i) in Cook County, (a) a tax of 1% of the gross receipts from sales of drugs, certain medical supplies and food prepared for consumption off the premises (other than for immediate consumption) imposed on all persons selling tangible personal property at retail (a Food and Drug Tax) and (b) a tax of 0.75% of the gross receipts from all other taxable retail sales; (ii) in counties within Northeastern Illinois other than Cook County, a tax of 0.25% of the gross receipts from all taxable retail sales (together with (i) (b), a General Sales Tax); and (iii) a tax of 1% on the use in Cook County, and 0.25% on the use in Northeastern Illinois other than Cook County of tangible personal property purchased from a retailer outside Northeastern Illinois and titled or registered with a State agency by a person with a Northeastern Illinois address (a Use Tax); and (iv) a tax imposed in the same locations and at the same rates as the Food and Drug Tax and the General Sales Tax on persons engaged in a sale of service pursuant to which property in the form of tangible personal property or in the form of real estate is transferred incidental to a sale of a service (a Service Occupation Tax).

The taxes described in (i) and (ii) above are also imposed on persons engaged in making sales of services pursuant to which tangible personal property or real estate (as incident to a sale of a service) is transferred (with respect to the taxes in (i) and (ii), a Service Occupation Tax).

The RTA Sales Tax is collected by the Illinois Department of Revenue (the Department of Revenue), and paid to the Treasurer of the State to be held in trust for the RTA outside the State Treasury.

Proceeds from the RTA Sales Tax are payable monthly directly to the RTA, without appropriation, by the State Treasurer on the order of the State Comptroller. Effective July 1, 2017, the State imposed a permanent 2% administrative surcharge on RTA sales tax receipts, reducing the amount of sales tax provided to the RTA and Service Boards by approximately \$24 million per year.

Also, proceeds from certain sales taxes imposed by the State are allocated to the RTA as part of the restructuring of the State and local sales taxes in Illinois. Until January 1, 1990, the State General Sales Tax, State Use Tax, and State Service Occupation Tax portions of the RTA Sales Tax were imposed at a rate of 1% in Cook County. Effective January 1, 1990, as a result of legislation (the Sales Tax Reform Act) aimed at simplifying the base and rate structure of taxes imposed by the State and its local governments, including the RTA, the State General Sales Tax, State Use Tax, State Service Occupation Tax, and State Service Use Tax were increased from 5% to 6.25% and any corresponding portions of the RTA Sales Tax in Cook County were reduced from 1% to 0.75%. In order to avoid a revenue loss to the RTA because of the reduction in this portion of the RTA Sales Tax, the Sales Tax Reform Act directed that portions of the receipts from the State General Sales Tax, State Use Tax, State Service Occupation Tax, and State Service Use Tax be paid to the RTA annually.

Specifically, 4% of the net monthly revenue from the 6.25% State General Sales Tax and State Service Occupation Tax and 4% of the net monthly revenue from the State Use Tax on personal property purchased at retail outside the State, but registered or titled with a State agency within the State (i.e., 0.25% of total) is transferred into the County and Mass Transit District Fund in the State Treasury (the CMTD Fund). The amount in the CMTD Fund attributable to taxable sales occurring in Cook County or to property registered or titled in Cook County is then transferred into the RTA Occupation and Use Tax Replacement Fund in the State Treasury (the Replacement Fund). In addition, (i) the net monthly revenue from the State Use Tax and State Service Use Tax portions of the 1% State Food and Drug Tax, and (ii) 20% of the net monthly revenue of the 6.25% State Use Tax and State Service Use Tax (i.e., 1.25% of total), other than revenues of such taxes attributable to personal property purchased at retail outside the State but registered or titled with a State agency within the State, are deposited in the State and Local Sales Tax Reform Fund (the Reform Fund). Of the money paid into the Reform Fund, 10% is transferred into the Replacement Fund.

The Act provides that the RTA withhold 15% of these tax revenues generated and that these revenues are deposited into the RTA's General Fund. The RTA is required to pass on to the Service Boards, pursuant to statutory formula, an amount equal to the remainder of such tax revenues. The remaining 85% of sales tax is allocated to the Service Boards as follows:

<u>Service Board</u>	<u>Collected Within Chicago</u>	<u>Collected within Cook County Outside Chicago</u>	<u>Collected in DuPage, Kane, Lake McHenry and Will Counties</u>
CTA	100 %	30 %	-
Metra	-	55 %	70 %
Pace	-	15 %	30 %

The RTA recognizes as a receivable and revenue in the General Fund only the 15% of this portion of the total sales taxes collected to which it is entitled by the amended Act. The remaining 85% of this portion of the sales tax is recorded in the Agency Fund. The criteria applied for recognition of the receivable and related revenue are that the amounts are "measurable and available" for the RTA to meet its current obligations.

In January 2008, Illinois Public Act 95-0708 increased the RTA sales tax rate throughout the region, increased the real estate transfer tax (RETT) in the City of Chicago, and raised the rate at which RTA sales tax revenues are matched by PTF. The RTA sales tax rate was increased 0.25% in Cook County and 0.50% in the Collar Counties effective April 1, 2008. Proceeds of the sales tax increase in the Collar Counties are divided evenly between the RTA and the county where the tax is collected. Effective April 1, 2008, the RETT in the City of Chicago was increased by 40% (i.e. for every \$500 in sales price and additional \$1.50 in tax is collected).

Public Transportation Fund—In accordance with the Act, the State Treasurer is authorized and required to transfer from the State's General Revenue Fund to a special fund in the State Treasury designated the "Public Transportation Fund," an amount equal to 30% of net revenues realized from sales taxes (or, as the case may be, gasoline or parking taxes) and RETT. These amounts may be paid to the RTA only upon State appropriation.

In February 2008, the PTF match of the pre-2008 RTA sales tax increased from 25% to 30%. In April 2008, the 5% PTF match was applied to the RETT and the RTA portion of the sales tax increase. In January 2009, the PTF match of both the RETT and the RTA portion of the sales tax increase rose from 5% to 30%.

While the RETT and the 25% PTF match of RETT funds only the CTA, the largest part of P.A. 95-0708 revenue provides funding for CTA, Metra, Pace and ADA Paratransit operations, as well as for regional innovation, coordination and enhancement (ICE) and suburban community mobility (SCMF) initiatives. Funds for ADA Paratransit, ICE and SCMF are by statute set aside before distributions to the CTA, Metra and Pace.

None of the revenues from the PTF are payable to the RTA unless and until the RTA certifies to the Governor, State Comptroller, and Mayor of the City of Chicago that it has adopted a budget and financial plan as called for by the Act. This certification has been submitted.

The amounts allocable to each of the Service Boards from funding received by the RTA from a portion of the State's PTF are allocated at the direction of the RTA Board in connection with the review and approval of the annual and revised budgets of each Service Board. This portion corresponds to 25% of the pre-2008 sales tax receipts. The remaining portion of the State's PTF is combined with the sales tax resulting from the 2008 rate increase and allocated by statute first to the ADA Paratransit Fund, ICE Fund, and SCMF, with the remainder distributed 48% to the CTA, 39% to Metra, and 13% to Pace.

The allocable amounts of such funds are payable as soon as may be practicable upon their receipt, provided that the RTA has adopted a budget pursuant to Section 4.01 of the Act, and the Service Board that is to receive such funds is in compliance with the budget requirement imposed upon the Service Board pursuant to Section 4.11 of the Act.

Reduced Fare Reimbursement— In the State's fiscal year 2018, which ends June 30, 2018, the Illinois General Assembly appropriated funds for a program under which the Illinois Department of Transportation (IDOT) is authorized to provide to the RTA a reduced fare reimbursement grant for the purpose of reimbursing the Service Boards for a portion of actual revenue losses attributable to reduced fares for students, people with disabilities, and the elderly. For the State fiscal year ended June 30, 2018, the grant was in the amount of \$16.7 million.

Additional State Assistance/Additional Financial Assistance—The State has authorized Additional State Assistance (ASA) which is supplemental financing for the RTA's Strategic Capital Improvement Program (SCIP) bonds. The ASA available to the RTA during the State's July through June fiscal year is limited to the lesser of (i) the actual debt service payable during such year on any outstanding SCIP I bonds plus any debt service savings from the issuance of refunding or advance refunding SCIP I bonds, less interest earned on the unspent bond proceeds, or (ii) \$55 million per year. The RTA recognized \$40 million of ASA in 2018.

Beginning with the State's fiscal year 2001, the State has also authorized Additional Financial Assistance (AFA) to pay for debt service requirements for SCIP II bonds authorized under the Illinois First Program. The amount available to the RTA during the State's July through June fiscal year is limited to the lesser of (i) the actual debt service payable during such year on any outstanding SCIP bonds less interest earned on those bond proceeds, or (ii) \$100 million in the State's fiscal years 2018 and 2019, per year. The RTA recognized \$90 million of AFA in 2018.

Expenditures and Expenses—Operating grants consist of financial assistance to the Service Boards. The RTA provides operating assistance to the Service Boards to fund, in part, their RTA-approved budgets.

Capital grants consist of the RTA local match of Federal Transit Administration (FTA) and IDOT-funded capital projects, 100% RTA-funded projects and capital projects funded by RTA, SCIP bonds, and investment income on bonds. Capital payments of approximately \$10 million for sales tax funding are due to Metra based on a statutory formula. This formula consists of the budgeted sales tax revenues in excess of Metra's budgeted operating deficit.

Administration consists of those costs of the RTA incurred to carry out its administrative activities. These costs were limited by statute to \$25 million for the year ended December 31, 2018.

Non-administration, listed as regional and technology program expenses in the combining statement of revenues and expenses and changes in net position, consists of those costs of the RTA which are exempt from the statutory limit defined in the RTA Act. These costs include the operation of the Travel Information Center, Transit Benefit Program, Americans with Disabilities Act (ADA), reduced fare registration, capital development and other program costs incurred on behalf of the Service Boards and not for the benefit of RTA itself.

Expenses are recognized using the accrual basis of accounting. Expenses are recognized in the period incurred.

Cash Flows—For purposes of the statement of cash flows, the RTA considers all short-term securities with original maturities of three months or less to be cash equivalents. Cash and cash equivalents aggregated \$7.2 million at December 31, 2018 and are included in cash and cash equivalents under business-type activities on the accompanying statement of net position.

Management's Use of Estimates—The preparation of financial statements in conformity with the Act requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New Accounting Standards-

Accounting standards that the Authority is currently reviewing for applicability and potential impact on the financial statements include:

GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the Guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 87, *Leases*. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It also defines a majority equity interest and specifies how it should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objective of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Unless stated otherwise, management has not currently determined what impact, if any, these Statements may have on its financial statements.

NOTE 5. BUDGET AND BUDGETARY ACCOUNTING

Section 4.01(a) of the Act requires the RTA to prepare and adopt a comprehensive annual budget and program presenting the RTA's planned operations and capital expenditures for the forthcoming year. The Service Boards' proposed budgets are based on the RTA's estimate of funds that will be available to the Service Boards by or through the RTA's own budget. This budget is comprehensive and includes the activity in the General Fund and sales tax agency fund.

The annual budget and related appropriations are prepared using the modified accrual basis of accounting in conformity with accounting principles generally accepted in the United States except for RTA capital expenditures and capital grants to the Service Boards. The RTA capital expenditures and capital grants to the Service Boards are budgeted on a project basis, which normally exceeds one year, and debt service payments, which are budgeted as transfers from the General Fund. Budgets for RTA capital expenditures and capital grants to the Service Boards that extend beyond one year are presented in the first year of the grants and represent the total amounts awarded. In addition, for the sales tax agency fund, additions and deletions are treated as revenues and expenditures. All appropriations lapse at year-end.

Although appropriations are adopted for individual line items, the legal level of control (i.e., the level at which appropriation transfers or expenditures in excess of appropriated amounts require RTA Board approval) is restricted to total appropriations/expenditures and total administration appropriations/expenditures. Management has the authority to exceed any line item appropriation without Board approval, provided it does not exceed the total appropriations/expenditures and the total administration appropriations/expenditures. It had previously been the policy of the RTA (ordinance 91-9) to fund the budgets of the Service Boards up to the amount appropriated in the annual Budget Ordinance. However, this policy was rescinded by ordinance 2015-55, which also rescinded the provision of the RTA funding policy adopted by Ordinance 98-15 that required the RTA annual budget and two-year financial plan to show a year-end unassigned fund balance equal to 5% of RTA operating expenditures by no later than the end of the three-year planning period. The Service Boards now maintain their own fund balance and reserve plans.

The Service Boards shall maintain all financial records and shall prepare all financial statements and reports, including quarterly and annual reports required under the Act, in accordance with the following provisions:

- The first source of funds to be credited against the budgeted funding amount is from Service Board sales tax receipts;
- The second source of funds to be credited against the budgeted funding amount is from PTF receipts; and

- The third source of funds credited against the budgeted funding amount is from unallocated RTA sales tax receipts and other discretionary receipts.

The reimbursement of Service Boards' capital expenditures and the payment of PTF funds, unallocated RTA sales tax receipts and other discretionary funds of the RTA shall be made under the terms and conditions of grant agreements governing such expenses.

NOTE 6. CAPITAL LEASE OBLIGATIONS

CTA

Capital Lease – 2008 Bus Lease: During 2008, the CTA entered into a lease-purchase agreement to finance the purchase of 150 sixty-foot New Flyer articulated hybrid buses and certain related parts and equipment with a book value of \$22 million and \$32.1 million at December 31, 2018 and 2017, respectively. The terms of the 2008 agreement allow CTA to lease the buses for 12 years and retain ownership at the conclusion of the lease. Lease payments are due every June 1 and December 1 of each year. During 2013, CTA terminated the 2008 agreement, entered into a 2013 lease-purchase agreement with the same term, and reduced rental payments. A deferred loss on refunding of \$3.2 million was recorded at the time of the 2013 transaction. The remaining unamortized loss of \$196 thousand and \$501 thousand are recorded as deferred outflows of resources as of December 31, 2018 and 2017, respectively. The present value of the future payments to be made by the CTA under the lease of approximately \$19.2 million is reflected in the accompanying December 31, 2018 Statements of Net Position, respectively, as a capital lease obligation.

Capital Lease – Public Building Commission: In 2003, the Public Building Commission of Chicago (PBC) issued revenue bonds for the benefit of the CTA in the amount of \$119 million. The bonds were issued to pay costs associated with the acquisition of real property and construction of a building, and facilities, including certain furniture, fixtures, and equipment. The real property, building and facilities, and all furniture, fixtures, and equipment are owned by the PBC and leased to the CTA for use as its headquarters.

On October 26, 2006, the Public Building Commission of Chicago (PBC) issued Building Refunding Revenue Bonds for the benefit of the CTA in the amount of \$91,340,000. The proceeds of the bonds were used to advance refund the Public Building Commission of Chicago, Series 2003 bonds. The principal amount of the bonds refunded was \$111.1 million.

The proceeds from the sale of the 2006 bonds are being held in escrow under an escrow refunding agreement and have been invested in United States Treasury obligations. The principal amount of such obligations, together with interest earned thereon, will permit the payment of principal and interest on the refunded bonds up to and including their respective call dates. The refunded bonds are treated in the financial statements as defeased obligations. Accordingly, neither the trust account assets nor the refunded bonds appear in the accompanying financial statements. This refunding decreased annual debt service payments over 27 years by approximately \$388 thousand resulting in an economic gain of approximately \$20.4 million. Based upon the requirements of GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Accounts*, the CTA recorded a deferred amount (loss) on refunding of \$2.4 million. The remaining unamortized portion of \$539 thousand is recorded as deferred outflows of resources in the accompanying Statements of Net Position as of December 31, 2018.

The bonds are payable from and secured by the lease entered into between the Commission and the CTA and are considered a general obligation of the CTA payable from any lawfully available funds. The bond premium related to this transaction is presented as such on the Statements of Net Position. The present value of the future payments to be made by the CTA under the lease of approximately \$64.3 million is reflected in the accompanying December 31, 2018 Statements of Net Position, respectively, as a capital lease obligation.

Capital Lease – Lease and Leaseback Transactions: During 1998, the CTA entered into lease and leaseback agreements with three third-party investors pertaining to certain property, railway tracks and train stations on the Green Line, with a book value of \$125.9 million and \$135.5 million at December 31, 2018 and 2017, respectively. The 1998 Agreement, which provides certain cash and tax benefits to the third parties, also provides for a trust established by the CTA to lease the rail line to an equity investor trust (the 1998 Equity Trust), which would then lease the facilities back to another trust established by the CTA under a separate lease (the 1998 Lease). In 2008, one of the three investors chose to unwind the transaction and the corresponding agreements were terminated. On March 6, 2015, another investor chose to unwind the transaction and the corresponding agreements were terminated. The last of the three Green Line lease and leaseback agreements was terminated on December 17, 2018. Therefore, no capital lease obligation is reflected as of December 31, 2018.

Change in Capital Lease Obligations: Changes in capital leases for the year ended December 31, 2018 are as follows (in thousands of dollars):

2018	Beginning balance	Additions*	Principal paid	Ending balance	Interest paid	Due in one year
2008 Bus Lease	\$ 31,671	\$ -	\$ (12,463)	\$ 19,208	\$ 623	\$ 12,736
2006 PBC Lease	67,095	-	(2,785)	64,310	3,404	2,915
1998 (Green)	82,503	1,967	(84,470)	-	1,967	-
Total capital lease obligation	\$ 181,269	\$ 1,967	\$ (99,718)	\$ 83,518	\$ 5,994	\$ 15,651

* Additions include accretion of interest.

Future Minimum Lease Payments: As of December 31, 2018, future minimum lease payments for capital leases, in the aggregate, are as follows (in thousands of dollars):

<u>Year Ending December 31</u>	<u>Amount</u>
2019	\$ 15,651
2020	9,537
2021	3,225
2022	3,390
2023	3,565
2024-2028	20,930
2029-2033	27,220
Total future minimum payments	83,518
Less interest	-
Present value of minimum lease payments	<u>\$ 83,518</u>

The present value of all future payments to be made by the CTA under all its leases of approximately \$83.5 million is reflected in the accompanying December 31, 2018 statement of net position as capital lease obligations.

NOTE 7. COMMITMENTS AND CONTINGENCIES

Each of the entities has various commitments that have arisen in the normal course of operations. None is expected to have a material adverse impact on its financial position as presented.

Each of the entities has also established liabilities for potential legal judgments to satisfy claims against the entity.

The RTA has also established a loss-financing plan to cover funding of losses incurred by the RTA and the Service Boards over certain established limits.

CTA

Litigation: The CTA has been named as a defendant in various other legal proceedings arising in the normal course of operations. Although the ultimate outcome of these matters cannot be presently determined, it is the opinion of management of the CTA that resolution of these matters will not have a material adverse impact on the CTA's financial statements.

Defeased Debt: On October 26, 2006, the PBC issued Building Refunding Revenue Bonds for the benefit of the CTA for \$91.3 million. The proceeds of the bonds were used to advance refund the Public Building Commission of Chicago, Series 2003 bonds. The outstanding balance of the defeased debt as of December 31, 2018 and 2017 was \$43.2 million and \$50.6 million, respectively.

Lease Transactions: Green Line - During 1998, the CTA entered into three lease and leaseback transactions, 1998-NL, 1998-PB and 1998- JH with third party investors pertaining to certain property, railway tracks and train stations on the Green Line. The CTA's payments associated with these agreements were guaranteed by American International Group Inc. (AIG) as the "Debt Payment Undertaker." During 2008, AIG's credit rating was downgraded amid the U.S. mortgage meltdown and global economic crisis. This rating downgrade provided the third party investors with the option under their respective agreements to require CTA to replace AIG as the Debt Payment Undertaker. In 2008, one of the three investors chose to unwind the transaction and the corresponding 1998-NL agreement was terminated. Another transaction, 1998-PB, was terminated on March 6, 2015. On December 27, 2017, the parties executed an Omnibus Termination Agreement under which the 1998-JH Green Line Sublease Agreement was terminated on January 3, 2018 and the 1998-JH Green Line Head Lease Agreement terminated on December 17, 2018.

Line of Credit: 2017 Line of Credit

On December 15, 2017, the Chicago Transit Authority entered into a tax-exempt Note Purchase Agreement (NPA) with Bank of America, N.A. in a not-to-exceed amount of \$25,000,000. The Notes are secured by a pledge of sales tax revenue receipts on parity with the existing Second Lien Sales Tax Receipts Revenue Bonds, and may be drawn upon at any time for operating purposes. Interest on the Notes was based upon the Daily LIBOR rate. The Notes have an initial Commitment Expiration Date of December 14, 2018.

The principal of outstanding Notes was \$22.5 million as of December 31, 2017 and the Notes were all repaid as of December 31, 2018.

2018 Line of Credit

On July 10, 2018, the Chicago Transit Authority entered into a tax-exempt Note Purchase Agreement (NPA) with Bank of America, N.A. in a not-to-exceed amount of \$150,000,000. The Notes are secured by a pledge of sales tax revenue receipts on parity with the existing Second Lien Sales Tax Receipts Revenue Bonds and the Intergovernmental Ground Transportation Tax Agreement (GTT IGA) dated January 25, 2018, and may be drawn upon at any time for 2018 Capital Projects, the payment of costs of issuance related to this Note, and to refund short-term obligations issued pursuant to this Note. Interest on the Notes is based upon the daily LIBOR rate. The Notes have an initial commitment expiration date of July 10, 2020.

The principal of outstanding Notes was \$49.25 million as of December 31, 2018.

Metra

Litigation: Metra is a defendant in a number of legal actions. These actions have been considered in estimating and funding Metra's retained risk liability program. The total of amounts claimed under these legal actions, including potential settlements, could exceed the amount of the accrued claims. In the opinion of Metra's management, the retained risk funding and Metra's limited excess indemnity insurance coverage from commercial carriers are adequate to cover the ultimate liability of these legal actions, in all material respects.

Grants: Metra receives moneys from federal and state government agencies under various grants. The costs, both direct and indirect, charged to these grants are subject to audits and disallowance by the granting agency. It is the opinion of management of Metra that any disallowances or adjustments would not have a material adverse effect on the financial position of Metra.

At December 31, 2018, Metra had \$356.4 million in obligations related to federal, state, and local capital grant contracts that are in progress.

Leases: Metra has entered into several noncancelable operating leases, primarily for the use of passenger terminals, which expire on various dates through 2045. Future minimum rental payments under all noncancelable operating leases having initial or remaining terms in excess of one year as of December 31, 2018 were as follows (in thousands of dollars):

<u>Year Ending December 31</u>	<u>Amount</u>
2019	\$ 4,830
2020	2,003
2021	2,005
2022	2,007
2023	2,009
2024-2028	7,710
2029-2033	5,936
2034-2038	5,936
Thereafter	8,310
Total	<u>\$ 40,746</u>

Total rent expense aggregated \$13.1 million and \$15.7 million for the years ended December 31, 2018 and 2017, respectively.

Pace

Agreements with Pace's paratransit public funded carriers generally provide that Pace will reimburse the lesser of the approved budget, \$3.00 per ride, or up to 75% of defined operating deficits incurred, within defined service guidelines, in the provision of specified demand response public transportation services.

Grant agreements with Pace's public contract carriers provide that Pace reimburse defined operating expenses, limited to their approved budget level, incurred in providing public transportation services.

Pace receives significant financial assistance from federally assisted programs, principal of which is FTA. These programs are subject to audit under the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) for which a separate report is issued.

On February 24, 2015, Pace issued \$12 million in Special Revenue Bonds through a competitive bid process utilizing the Illinois Finance Authority's direct bank placement program. The bond proceeds are used to finance the conversion of South Division in Markham into a compressed natural gas facility. These revenue bonds are not general obligations of Pace and must be repaid with Pace operating revenue in equal annual principal payments.

State statute limits the amount of debt Pace is allowed, and specifies projects for each bond issuance. Specifically, only four specific projects are allowed, with a total limit of \$100 million. The bond issued in 2015 comprises the total bonding authority for one of the four projects.

A requirement of the bond covenant is that Pace deposit \$1.2 million into a reserve account. In addition, Pace is required to make a monthly deposit that represents one-twelfth of the annual principal payment and one-sixth of the semiannual interest payment into a debt service account held at the bond depository bank. Semi-annual interest payments began on June 15, 2015 and continued semi-annually each June and December going forward. The annual principal payment was made on December 17, 2018.

Revenue bonds currently outstanding as of year ending December 31, 2018 are as follows:

Bond Issuance	Fund Debt Retired By	Beginning Balance	Issuances	Retirements	Ending Balance	Due in One Year
Taxable Revenue Bond Series of 2015, the South cook compressed Natural Gas facility project, authorized issue of \$12 million, due in annual installments of \$1.2 million, interest payable June 15 and December 15 at rates ranging from 1.40% to 3.50% through December 15, 2024	Suburban Services	\$ 8,400	\$ -	\$ 1,200	\$ 7,200	\$ 1,200

Annual requirements to amortize all debt outstanding as of December 31, 2018 are as follows:

Fiscal Year	Principal	Interest	Total
2019	\$ 1,200	\$ 216	\$ 1,416
2020	1,200	187	1,387
2021	1,200	154	1,354
2022	1,200	119	1,319
2023	1,200	82	1,282
2024	1,200	42	1,242
Total	\$ 7,200	\$ 800	\$ 8,000

Pledged Revenues – Pace has pledged future portions of the Suburban Service Fund's operating revenue to repay the Special Revenue Bonds Series 2015 bonds. Proceeds from the bonds provided financing to convert the South Division location into a compressed natural gas facility. The bonds are payable from 2015 through years ended 2024. If the pledged revenues from these sources are insufficient to provide for the principal and interest payments on the bonds, a debt service reserve fund would be used to make the payments. Annual principal and interest payments on the bonds are expected to require less than 2.7% of the operating revenue. The total principal and interest remaining to be paid on the bonds is \$8 million. Principal and interest paid for the current year is \$1.5 million, and the Suburban Service Funds' operating revenue for the current year is \$56.4 million.

RTA

The RTA has an operating lease agreement for its office facilities. In 2018, the total rent paid by the RTA was \$1,674,959. Minimum required annual rental payments by the RTA are as follows:

Year Ending December 31,	Amount
2019	\$ 1,661
2020	1,596
2021	1,716
2022	1,749
2023	1,908
Thereafter	1,631
Total	<u>\$ 10,261</u>

NOTE 8. CASH AND INVESTMENTS

The applicable statutory provisions governing the investment of public funds are found in 30 ILCS 235/1, et seq. Each of the Combined Entities has established its own investment policy which is in line with the State statute or, in some cases, more restrictive.

The Combined Entities have on hand, as of December 31, 2018, \$1.149 million of cash and investments (excludes CTA bond proceeds held by Trustee). Of this amount, \$322.9 million is restricted for self-insurance and other damage reserve liabilities, debt service, health insurance claims, and capital projects.

NOTE 9. GENERAL OBLIGATION BONDS PAYABLE

Changes during the year in RTA's bonds payable were as follows (amounts in thousands):

	January 1, 2018	New Issues	Current Retirements	December 31, 2018	Due Within One Year
1990A	\$ 21,410	\$ -	\$ 6,645	\$ 14,765	\$ 7,125
1991A	26,695	-	6,040	20,655	6,445
1994A* & 1994B	-	-	-	-	-
1994C* & 1994D	22,855	-	9,295	13,560	10,040
1997 Refunding	28,930	-	4,485	24,445	4,765
1999* Refunding	167,245	-	21,400	145,845	22,650
2000A*	169,815	-	8,860	160,955	9,405
2001A*	66,290	-	3,230	63,060	3,415
2001B* Refunding	19,810	-	2,865	16,945	3,025
2002A*	111,320	-	4,860	106,460	5,140
2003A*	188,695	-	7,720	180,975	8,145
2003B	108,770	-	4,455	104,315	4,695
2004A*	195,040	-	7,295	187,745	7,685
2005B Refunding	89,420	-	4,735	84,685	4,955
2006A*	5,970	-	5,970	-	-
2010A	29,880	-	5,405	24,475	5,680
2010B	112,925	-	-	112,925	-
2011A Refunding	30,310	-	14,810	15,500	15,500
2014A	94,560	-	1,705	92,855	1,785
2016A	94,020	-	1,520	92,500	1,595
2016C Cash Note	150,000	-	150,000	-	-
2017A	191,205	-	-	191,205	5,935
2017B Direct Placement	150,000	100,000	200,000	50,000	50,000
2018A Cash Note	-	150,000	-	150,000	-
2018B	-	139,080	-	139,080	2,085
Subtotal	2,075,165	389,080	471,295	1,992,950	180,070
Unamortized bond premium	118,040	11,996	8,658	121,378	-
Total	\$ 2,193,205	\$ 401,076	\$ 479,953	\$ 2,114,328	\$ 180,070

* Strategic Capital Improvement Program (SCIP) Bonds

At December 31, 2018, the total general obligation bonds notes payable of \$2,114 million are classified as current and long-term in the Statement of Net Position in the amounts of \$180 million and \$1,934 million, respectively.

Debt Service Requirements—The “debt service requirements” set forth in the following tables represent payments due the bondholders, as required by the respective bond agreements. The amounts do not represent sinking fund payments the RTA must deposit with the trustee.

Following is a summary of all debt service requirements (in thousands).

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 180,070	\$ 99,663	\$ 279,733
2020	271,470	88,452	359,922
2021	120,360	81,241	201,601
2022	126,605	74,605	201,210
2023	110,660	68,272	178,932
2024-2028	505,985	258,614	764,599
2029-2033	399,500	123,978	523,478
2034-2038	136,905	42,771	179,676
2039-2043	80,910	21,605	102,515
2044-2046	60,485	5,075	65,560
Total	<u>\$ 1,992,950</u>	<u>\$ 864,276</u>	<u>\$ 2,857,226</u>

All amounts in the debt service requirement tables below, and on the following pages, are expressed in thousands.

1990 General Obligation Bonds—In May 1990, the RTA issued \$100 million in General Obligation Bonds, Series 1990A, to establish a Capital Projects Fund to provide the source of paying costs of the Capital Program for the Service Boards.

The Series 1990A Bonds mature on November 1 over a thirty-year period and interest is payable at rates ranging from 6.00% to 7.30% on May 1, 1990 and semiannually thereafter on November 1 and May 1 in each remaining year.

Debt service requirements on the Series 1990A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 7,125	\$ 1,063	\$ 8,188
2020	7,640	550	8,190
Total	<u>\$ 14,765</u>	<u>\$ 1,613</u>	<u>\$ 16,378</u>

1991 General Obligation Bonds—In November 1991, the RTA issued \$100 million in General Obligation Bonds, Series 1991A, to replenish the Capital Projects Fund and to provide the source for paying costs of the Capital Program for the Service Boards.

The Series 1991A Bonds mature on November 1 over a thirty-year period and interest is payable at rates ranging from 4.85% to 6.55% on May 1, 1992 and semiannually thereafter on November 1 and May 1 in each remaining year.

Debt service requirements on the 1991A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 6,445	\$ 1,384	\$ 7,829
2020	6,875	952	7,827
2021	7,335	491	7,826
Total	\$ 20,655	\$ 2,827	\$ 23,482

1994 General Obligation Bonds—In May 1994, the RTA issued \$195 million in General Obligation Bonds, Series 1994A, to pay the costs of purchasing and reconstructing railcars for Metra. Proceeds of Series 1994A Bonds may also be used to purchase new paratransit vehicles for Pace and for rehabilitation of railcars for the CTA. The RTA also issued \$80 million in General Obligation Bonds, Series 1994B, to pay the costs of reconstruction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The 1994C and 1994D Bonds mature on June 1 over a twenty-six period and interest is payable at rates ranging from 5.30% to 7.75% on June 1, 1995 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 1994C and 1994D Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 10,040	\$ 662	\$ 10,702
2020	3,520	136	3,656
Total	\$ 13,560	\$ 798	\$ 14,358

1997 General Obligation Refunding Bonds—In September 1997, the RTA issued \$98 million in General Obligation Bonds, Series 1997, to provide funds to refund in advance of maturity the RTA's outstanding Series 1990A Bonds, maturing November 1 in the years 2001-2002, in the aggregate amount of \$4 million, Series 1991A Bonds, maturing November 1 in the years 2002-2006, 2008 and 2011, in the aggregate amount of \$29 million, Series 1992B Bonds, maturing June 1 in the years 2015 and 2022, in the aggregate amount of \$18 million and Series 1993B Bonds, maturing June 1 in the years 2004-2009, 2013 and 2023, in the aggregate amount of \$47 million.

The Series 1997 Refunding Bonds mature on June 1 over a twenty-six-year period and interest is payable at rates ranging from 4.00% to 6.00% on December 1, 1997 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 1997 Refunding Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 4,765	\$ 1,324	\$ 6,089
2020	5,055	1,029	6,084
2021	5,375	716	6,091
2022	5,700	384	6,084
2023	3,550	107	3,657
Total	\$ 24,445	\$ 3,560	\$ 28,005

1999 General Obligation Refunding Bonds—In August 1999, the RTA issued \$299 million in General Obligation Bonds, Series 1999, to provide funds to refund in advance of maturity the RTA's outstanding Series 1992A Bonds, maturing June 1 in the years 2015 and 2022, in the aggregate amount of \$114 million, Series 1993A Bonds, maturing June 1 in the years 2009 and 2013, in the aggregate amount of \$10 million, Series 1994A Bonds, maturing June 1 in the years 2006-2009, 2012, 2015 and 2024, in the aggregate amount of \$143 million and Series 1994C Bonds, maturing June 1 in the year 2025, in the aggregate amount of \$22 million.

The Series 1999 Refunding Bonds mature on June 1 over a twenty-five-year period and interest is payable at rates ranging from 5.00% to 6.00% on December 1, 1999 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 1999 Refunding Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 22,650	\$ 7,790	\$ 30,440
2020	23,980	6,450	30,430
2021	29,170	4,922	34,092
2022	30,890	3,195	34,085
2023	16,975	1,819	18,794
2024-2025	22,180	918	23,098
Total	\$ 145,845	\$ 25,094	\$ 170,939

2000 General Obligation Bonds—In June 2000, the RTA issued \$260 million in General Obligation Bonds, Series 2000A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2000A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.75% to 6.25% on January 1, 2001 and semiannually thereafter on July 1 and January 1 in each remaining year.

Debt service requirements on the Series 2000A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 9,405	\$ 10,329	\$ 19,734
2020	9,985	9,741	19,726
2021	10,605	9,117	19,722
2022	11,270	8,454	19,724
2023	11,975	7,750	19,725
2024-2028	72,120	26,202	98,322
2029-2030	35,595	3,506	39,101
Total	\$ 160,955	\$ 75,099	\$ 236,054

2001 General Obligation Bonds—In April 2001, the RTA issued \$100 million in General Obligation Bonds, Series 2001A, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2001A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 6.0% in January 2001 and semiannually thereafter on July 1 and January 1 in each remaining year.

Debt service requirements on the Series 2001A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 3,415	\$ 3,729	\$ 7,144
2020	3,610	3,542	7,152
2021	3,810	3,343	7,153
2022	4,025	3,134	7,159
2023	4,255	2,892	7,147
2024-2028	25,165	10,329	35,494
2029-2031	18,780	2,295	21,075
Total	\$ 63,060	\$ 29,264	\$ 92,324

In March 2001, the RTA issued \$38 million in General Obligation Bonds, Series 2001B, to provide funds to refund in advance of maturity the RTA's outstanding series 1993A Bonds, maturing June 1 in the years 2004-2008, in the aggregate amount of \$38 million.

The Series 2001B Refunding Bonds mature on June 1 over a twenty-three-year period and interest is payable at rates ranging from 4.00% to 5.50% on June 1, 2001 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2001B Refunding Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 3,025	\$ 848	\$ 3,873
2020	3,195	678	3,873
2021	3,380	497	3,877
2022	3,570	306	3,876
2023	3,775	104	3,879
Total	<u>\$ 16,945</u>	<u>\$ 2,433</u>	<u>\$ 19,378</u>

2002 General Obligation Bonds—In March 2002, the RTA issued \$160 million in General Obligation Bonds, Series 2002A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2002A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 6.0% on July 1, 2002 and semiannually thereafter on January 1 and July 1 in each remaining year.

Debt service requirements on the Series 2002A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,140	\$ 6,388	\$ 11,528
2020	5,440	6,079	11,519
2021	5,755	5,753	11,508
2022	6,085	5,407	11,492
2023	6,440	5,042	11,482
2024-2028	38,240	18,949	57,189
2029-2032	39,360	6,070	45,430
Total	<u>\$ 106,460</u>	<u>\$ 53,688</u>	<u>\$ 160,148</u>

2003 General Obligation Bonds—In May 2003, the RTA issued \$260 million in General Obligation Bonds, Series 2003A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2003A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 2.0% to 5.5% on January 1, 2004 and semiannually thereafter on January 1 and July 1 in each remaining year.

Debt service requirements on the Series 2003A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 8,145	\$ 10,522	\$ 18,667
2020	8,595	10,074	18,669
2021	9,070	9,601	18,671
2022	9,565	9,102	18,667
2023	10,095	8,576	18,671
2024-2028	59,130	33,753	92,883
2029-2033	76,375	14,216	90,591
Total	<u>\$ 180,975</u>	<u>\$ 95,844</u>	<u>\$ 276,819</u>

In January 2003, the RTA issued \$150 million in General Obligation Bonds, Series 2003B, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2003B Bonds mature on June 1 over a thirty-year period and interest is payable at rates ranging from 4.0% to 5.5% on June 1, 2003 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2003B Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 4,695	\$ 5,738	\$ 10,433
2020	4,945	5,472	10,417
2021	5,215	5,193	10,408
2022	5,495	4,898	10,393
2023	5,790	4,588	10,378
2024-2028	33,985	17,659	51,644
2029-2033	44,190	6,619	50,809
Total	<u>\$ 104,315</u>	<u>\$ 50,167</u>	<u>\$ 154,482</u>

2004 General Obligation Bonds—In October 2004, the RTA issued \$260 million in General Obligation Bonds, Series 2004A, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2004A Bonds mature on June 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 5.75% on June 1, 2005 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2004A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 7,685	\$ 10,294	\$ 17,979
2020	8,100	9,860	17,960
2021	8,540	9,402	17,942
2022	9,000	8,919	17,919
2023	9,485	8,423	17,908
2024-2028	55,660	33,727	89,387
2029-2033	72,375	15,700	88,075
2034	16,900	486	17,386
Total	\$ 187,745	\$ 96,811	\$ 284,556

2005 General Obligation Bonds— In May 2005, the RTA issued \$148 million in General Obligation Bonds, Series 2005B, to provide funds to refund in advance of maturity the RTA's outstanding Series 1996A Bonds, maturing June 1 in the years 2005-2025, in the aggregate amount of \$147 million.

The Series 2005B Bonds mature on June 1 over a twenty-year period and interest is payable at variable rates which reset weekly based on current market rates.

Debt service requirements on the Series 2005B Refunding Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest*	Total
2019	\$ 4,955	\$ 2,713	\$ 7,668
2020	12,555	2,424	14,979
2021	13,190	1,999	15,189
2022	13,885	1,552	15,437
2023	14,615	1,082	15,697
2024-2025	25,485	754	26,239
Total	\$ 84,685	\$ 10,524	\$ 95,209

* Interest was calculated using a rate of 3.3%.

2010 General Obligation Bonds—In January 2010, the RTA issued \$62.2 million in General Obligation Bonds, Series 2010A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities.

The Series 2010A Bonds mature on July 1, over a thirteen-year period and interest is payable at rates ranging from 4.00% to 5.00% on July 1, 2010 and annually thereafter on July 1 in each remaining year.

Debt service requirements on the Series 2010A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 5,680	\$ 1,223	\$ 6,903
2020	5,960	940	6,900
2021	6,260	642	6,902
2022	6,575	329	6,904
Total	<u>\$ 24,475</u>	<u>\$ 3,134</u>	<u>\$ 27,609</u>

In January 2010, the RTA issued \$112.9 million in General Obligation Bonds, Series 2010B, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities.

The Series 2010B Bonds mature on July 1, over a twenty-five-year period and interest is payable at rates ranging from 5.40% to 5.90% on July 1, 2010 and annually thereafter on July 1 in each remaining year.

Debt service requirements on the Series 2010B Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ -	\$ 6,621	\$ 6,621
2020	-	6,622	6,622
2021	-	6,622	6,622
2022	-	6,622	6,622
2023	6,885	6,622	13,507
2024-2028	38,465	27,097	65,562
2029-2033	46,385	14,916	61,301
2034-2035	21,190	1,919	23,109
Total	<u>\$ 112,925</u>	<u>\$ 77,041</u>	<u>\$ 189,966</u>

2011 General Obligation Bonds—In July 2011, the RTA issued \$95.6 million in General Obligation Bonds, Series 2011A, to pay when due, or refund in advance of their maturities a portion of the RTA's Outstanding General Obligation Bonds, Series 2002B and to pay Costs of Issuance of the Series 2011A Bonds.

The Series 2011A Bonds mature on June 1, over an eight-year period and interest is payable at rates ranging from 4.00% to 5.00% on December 1, 2011 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2011A Bonds to maturity are set forth below:

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 15,500	\$ 388	\$ 15,888

2014 General Obligation Bonds – In February 2014, RTA issued \$99.3 million in General Obligation Bonds, Series 2014A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain transportation facilities.

The Series 2014A Bonds mature on June 1, over a thirty-year period and interest is payable at rates ranging from 3.00% to 5.00% on June 1, 2014 and semi-annually thereafter on June 1 and December 1 in each remaining year.

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,785	\$ 4,598	\$ 6,383
2020	1,875	4,507	6,382
2021	1,970	4,410	6,380
2022	2,070	4,310	6,380
2023	2,180	4,203	6,383
2024-2028	12,685	19,221	31,906
2029-2033	16,285	15,618	31,903
2034-2038	20,915	10,991	31,906
2039-2043	26,865	5,049	31,914
2044	6,225	156	6,381
Total	\$ 92,855	\$ 73,063	\$ 165,918

2016 General Obligation Bond - In January 2016, the RTA issued \$95.5 million in General Obligation Bonds, Series 2016A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities. To fund the Series 2016A Bonds Reserve Account and to pay Costs of Issuance of Series 2016A Bonds.

The Series 2016A Bonds mature on June 1, over a thirty-year period and interest is payable at rates ranging from 4.00% to 5.00% on June 1, 2016 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2016A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 1,595	\$ 4,114	\$ 5,709
2020	1,675	4,033	5,708
2021	1,765	3,947	5,712
2022	1,855	3,856	5,711
2023	1,950	3,761	5,711
2024-2028	11,355	17,198	28,553
2029-2033	14,570	13,975	28,545
2034-2038	18,635	9,916	28,551
2039-2043	22,955	5,598	28,553
2044-2046	16,145	986	17,131
Total	<u>\$ 92,500</u>	<u>\$ 67,384</u>	<u>\$ 159,884</u>

2017A General Obligation Refunding Bond – In August 2017, the RTA issued \$191 million in General Obligation Bonds, Series 2017A, to provide funds to currently refund the RTA's outstanding Series 2006A Bonds maturing in the years 2019 through 2035, to fund the Series 2017A Bonds Reserve Account and to pay Costs of Issuance of Series 2017A Bonds.

The Series 2017A Bonds mature on and after July 1, 2028 and interest is payable at rates ranging from 4.00% to 5.00% on June 1, 2016 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2017A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 5,935	\$ 9,089	\$ 15,024
2020	6,275	8,792	15,067
2021	6,615	8,479	15,094
2022	14,200	8,148	22,348
2023	10,145	7,438	17,583
2024-2028	96,685	25,582	122,267
2029-2033	16,540	8,051	24,591
2034-2035	34,810	1,858	36,668
Total	<u>\$ 191,205</u>	<u>\$ 77,437</u>	<u>\$ 268,642</u>

2017 Direct Placement – In December 2017, the RTA authorized the issuance of \$250 million two-year Direct Placement Working Cash Notes, Series 2017 (Taxable) with Wells Fargo Bank, National Association to provide funds to manage the cash flow needs of the RTA and the service boards, including the payment of existing RTA obligations (2016A Direct Placement). As of December 31, 2017, \$150 million were issued and outstanding. The balance outstanding is due in December 2019 plus interest payments due monthly at a variable rate based on LIBOR.

2018 Working Cash Notes – In April 2018, the RTA issued \$150 million Working Cash Notes, Series 2018 (Taxable) to provide funds to manage the cash flow needs of the RTA and the service boards, including the payment to underwriters' discount on the Notes.

Debt service requirements on Series 2018A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ -	\$ 4,520	\$ 4,520
2020	150,000	352	150,352
Total	<u>\$ 150,000</u>	<u>\$ 4,872</u>	<u>\$ 154,872</u>

2018 General Obligation Bonds – In June 2018, the RTA issued \$139 million in General Obligation Bonds, Series 2018B, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities; to pay costs of issuance of Series 2018B Bonds.

The Series 2018B Bonds mature on June 1, 2049 and interest is payable at rates ranging from 4.00% to 5.00% on December 1, 2018 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on Series 2018B Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 2,085	\$ 6,326	\$ 8,411
2020	2,190	6,219	8,409
2021	2,305	6,107	8,412
2022	2,420	5,989	8,409
2023	2,545	5,865	8,410
2024-2028	14,830	27,225	42,055
2029-2033	19,045	23,012	42,057
2034-2038	24,455	17,601	42,056
2039-2043	31,090	10,958	42,048
2044-2046	38,115	3,933	42,048
Total	<u>\$ 139,080</u>	<u>\$ 113,235</u>	<u>\$ 252,315</u>

All the bonds are recorded as current and long-term liabilities, as applicable, of the governmental activities in the government-wide statement of net position, and are general obligations of the RTA to which the full faith and credit of the RTA are pledged. The bonds are payable from all revenues and all other funds received or held by the RTA (except amounts in the Joint Self-Insurance Fund and amounts required to be held or used with respect to separate ordinance obligations) that lawfully may be used for retiring the debt.

The bonds are secured by an assignment of a lien on the sales taxes imposed by the RTA. All sales tax receipts are to be paid directly to the trustee by officials of the State. If, for any reason, the required monthly debt service payment has not been made by the RTA, the trustee is to deduct it from the sales tax receipts. If all payments have been made, the funds are made available to the RTA for regular use.

Under the RTA Act, the Service Boards' fare box receipts and funds on hand are not available for payment of debt service.

In the Debt Service Fund, \$150 million in investments are available to service principal and interest payments of the RTA's long-term debt as of December 31, 2018.

NOTE 10. OTHER LONG-TERM LIABILITIES

CTA

In August 2008, Certificates of Participation (COP) totaling \$78.4 million were issued on behalf of the CTA. The COPs were used to finance the purchase of 200 (40 ft.) New Flyer low floor buses and certain related parts and equipment. On August 1, 2008, the CTA entered into an installment purchase agreement. The obligation of the CTA to make installment payments is an unconditional obligation of the CTA and is payable from legally available funds. The installment agreement requires the CTA to make annual COP payments which are remitted to the COP holders. Scheduled maturity dates occur at various times through December 1, 2020. During 2013, CTA terminated the original 2008 agreement and entered into three new agreements with the same terms and reduced interest rates. The total principal and interest remaining to be paid on the COPs as of December 31, 2018, is \$15.8 million. Principal and interest paid in 2018 was approximately \$7.9 million.

As of December 31, 2018, debt service requirements to maturity are as follows (in thousands of dollars):

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 7,543	\$ 369	\$ 7,912
2020	7,751	160	7,911
Total	<u>\$ 15,294</u>	<u>\$ 529</u>	<u>\$ 15,823</u>

CTA entered into a purchase agreement to finance a fare collection system with a value of \$102.9 million. Under the purchase agreement, the CTA will make monthly payments of approximately \$1.1 million over the ten-year term to finance the design, acquisition and installation of the open standards fare system. The present value of the future payments to be made by the CTA under the purchase agreement of approximately \$57.1 million is reflected in the accompanying December 31, 2018 Statements of Net Position as another long-term liability.

The purchase agreement requirements to maturity are as follows (in thousands of dollars):

Year Ending December 31			
	Principal	Interest	Total
2019	\$ 10,396	\$ 2,415	\$ 12,811
2020	10,886	1,925	12,811
2021	11,399	1,412	12,811
2022	11,935	876	12,811
2023	12,497	314	12,811
Total	<u>\$ 57,113</u>	<u>\$ 6,942</u>	<u>\$ 64,055</u>

TIFIA Loan Agreement

2014 TIFIA Loan - On April 24, 2014, CTA entered into a definitive loan agreement with the United States Department of Transportation (USDOT), an agency of the United States of America, acting by and through the Federal Highway Administrator under the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan program to finance certain projects that are a part of the Authority's 95th Street Terminal Improvement Project.

The principal amount of the TIFIA Loan shall not exceed \$79.2 million; provided, the maximum principal amount of the TIFIA loan disbursed by the USDOT, together with the amount (excluding any interest that is capitalized) of any other credit assistance provided under TIFIA, cannot exceed thirty-three percent (33%) of reasonably anticipated eligible project costs. Further, total federal funding, inclusive of the TIFIA loans and all federal direct or indirect grants, cannot exceed eighty percent (80%) of reasonably anticipated eligible project costs.

As evidence of CTA's obligation to repay the TIFIA Loan, CTA has issued to the lender a registered fare box receipts revenue bonds in the amount of \$79.2 million dated April 24, 2014 with a maturity date of December 1, 2050 bearing an interest rate of 3.5%, with a loan amortization schedule.

CTA borrowed \$79.2 million in 2018 and is capitalizing interest through 2020. Total capitalized interest of \$5.3 million will be added to the principal repayments over the life of the loan. As of December 31, 2018, CTA had accrued \$1.2 million of capitalized interest.

2015 TIFIA Loan - On February 3, 2015, CTA entered into a definitive loan agreement with the United States Department of Transportation (USDOT), an agency of the United States of America, acting by and through the Federal Highway Administrator under the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan program to finance certain projects that are a part of the Authority's "Your New Blue" capital improvement program.

The principal amount of the TIFIA Loan shall not exceed \$120 million; provided the maximum principal amount of the TIFIA loan disbursed by the USDOT, together with the amount (excluding any interest that is capitalized) of any other credit assistance provided under TIFIA, cannot exceed thirty-three percent (33%) of reasonably anticipated eligible project costs. Further, total federal funding, inclusive of the TIFIA loans and all federal direct or indirect grants, cannot exceed eighty percent (80%) of reasonably anticipated eligible project costs.

As evidence of CTA's obligation to repay the TIFIA Loan, CTA has issued to the lender two fare box receipts revenue bonds in the amounts of \$42.6 million with a maturity date of December 1, 2029, bearing an interest rate of 2.02%, and \$77.4 million with a maturity date of December 1, 2052, bearing an interest rate of 2.31%.

As of December 31, 2018 no drawdown had occurred on the 2015 TIFIA loan. No balance is presented for this loan on the Statements of Net Position as of December 31, 2018 or 2017.

2016 TIFIA Loan - On March 30, 2016, CTA entered into a third definitive loan agreement with the United States Department of Transportation (USDOT), an agency of the United States of America, acting by and through the Federal Highway Administration under the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan program to finance certain projects that are part of the Authority's Rail Car Purchase Program.

The aggregate principal amount of the loan shall not exceed \$254.9 million, (excluding any interest that is capitalized in accordance with the terms of the loan); provided, however, in no event shall the maximum principal amount of the TIFIA loan disbursed by the USDOT, together with the amount (excluding any interest that is capitalized) of any other credit assistance provided under TIFIA Act, cannot exceed thirty-three percent (33%) of reasonable anticipated eligible project costs. Further, total federal funding, inclusive of the TIFIA loan and all federal direct or indirect grants, shall not exceed eighty percent (80%) of reasonably eligible project costs.

As evidence of CTA's obligation to repay the TIFIA Loan, CTA has issued to the lender registered receipts revenue bonds in the aggregate principal amount not to exceed \$254.9 million, comprising two (2) tranches in the principal amounts of \$147 million ("Tranche A-1") and \$107.9 million ("Tranche A-2") and bearing an interest rate of 2.64%, with corresponding loan amortization schedules for each tranche. The final maturity date for the Tranche A-1 is December 1, 2049 and the earlier of (a) the last semi-annual payment date occurring no later than thirty-four (34) years from the substantial completion date and (b) December 1, 2056.

As of December 31, 2018 no drawdowns had occurred on any of the three TIFIA loans. No balance is presented on the Statements of Net Position as of December 31, 2018.

NOTE 11. PENSION PLANS

CTA

GASB Statements No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*.

General Information about the Retirement Plan for Chicago Transit Authority Employees

Plan Description - The CTA participates in a single employer defined benefit pension plan covering substantially all full-time permanent union and non-union employees. The Retirement Plan for Chicago Transit Authority Employees (the Employees' Plan) is governed by Illinois state statute (40 ILCS 5/22-101). Substantially all non-temporary, full-time employees who have completed one year of continuous service ("Service") participate in the Employees' Plan. The Employees' Plan issues a separate stand-alone financial report which is available at <http://www.ctaretirement.org/index.asp>.

Contributions - Prior to 2008, contribution requirements of the Employees' Plan were governed by collective bargaining agreements. After 2008, contribution requirements are governed by Illinois state statute (40 ILCS 5/22-101).

Actual contributions made to the Employees' Plan during the years ended December 31, 2018 and 2017 are as follows (in thousands of dollars):

	Employees' Plan	
	2018	2017
Employer contributions	\$ 117,115	\$ 104,442
Employee contributions	77,909	69,582
Total	\$ 195,024	\$ 174,024
	Employees' Plan	
	2018	2017
Employer contribution rate	18.019%	17.925%
Employee contribution rate	12.010%	11.962%

Net Pension Liability

The CTA's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

Actuarial assumptions and calculations. The total pension liability was determined using the following actuarial assumptions, applied to the periods included in the measurement:

Employee Plan

Actuarial valuation date	January 1, 2017
Measurement date	December 31, 2017. Census data was collected as of January 1, 2017. Liabilities measured as of the census date were projected to December 31, 2017, assuming no demographic gains or losses.
Investment return	8.25% per annum, compounded annually, including inflation, net of expenses
Inflation	3.25% per annum
Salary increases	Service graded table starting at 9% with 4% ultimate rate after 5 years of service
Future ad hoc benefit increases	None assumed
Mortality	RP-2000 Blue Collar Table, generational to 2000 based on Scale BB and then fully generational
Early retirement age	55
Normal retirement age	65
Actuarial cost method	Entry Age Normal - Level Percentage of Pay
Experience study	The actuarial assumptions used were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2012.

Best estimates of arithmetic real rates of return for each major asset class included in the Employees' Plan target asset allocation as of January 1, 2018 and 2017 are summarized in the following table (note that the rates shown below include the inflation components):

	Employees' Plan			
	2018 Estimate of Expected Long-Term		2017 Estimate of Expected Long-Term	
	Target Allocation	Rate of Return	Rate of Return	
Fixed income	17 %	1.31 %	1.39 %	
Domestic equities	28	9.41	9.38	
International equities	21	8.37	8.31	
Venture capital and partnerships	10	12.54	12.52	
Real estate	12	6.91	6.82	
Hedge funds	7	4.66	4.66	
Infrastructure	5	6.72	6.73	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

SUPPLEMENTAL PLANS PENSION DISCLOSURES

GASB Statements No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*.

General Information about the Supplemental Plans

Plan Description. The CTA also maintains separate single-employer, defined benefit pension plans for selected individuals. The supplemental retirement plans provide benefits to employees of the CTA in certain employment classifications. The supplemental retirement plans consist of the: (1) closed board

member plan (Board), (2) closed (Non-Qualified) supplemental plan for members that retired or terminated employment before March 2005, including early retirement incentive, and (3) closed (Qualified) supplemental plan for active employees and members retiring after March 2005. All plans are closed to new entrants. CTA received qualification under Section 401(a) of the Internal Revenue Code for the supplemental plan and established a qualified trust during 2005 for members retiring after March 2005 (Qualified Supplemental Retirement Plan). The Qualified Supplemental Retirement Plan is reported in a fiduciary fund, whereas the activities for the Non-Qualified and Board plans are included in the financial statements of the CTA's business-type activities. There are no separate stand-alone financial report issued for any of the Supplemental Plans.

Each of the Supplemental plans are administered by the Employee Retirement Review Committee (EERC) of the CTA, whose members are appointed by the Board of Directors of the CTA, which retains oversight of the plan administration. The plans are each established by CTA ordinances, which grant the EERC operational authority and can be modified by the CTA Board.

Contributions. The Board and Non-Qualified plans are administered on a pay as you go basis. The CTA contributes to the Qualified plan based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

GASB Statements No. 67, *Financial Reporting for Pensions Plans—an amendment of GASB Statement No. 25*.

Investments. The Board and Non-Qualified plans are administered on a pay as you go basis. The Non-Qualified plan does not have any associated assets. The Board plan has a limited reserve held in cash or cash equivalents, which is not actively managed or associated with an investment policy. The Qualified plan's investment policy is established and may be amended by the CTA's Employment Retirement Review Committee. The primary objective of the policy is to provide a documented structure for the implementation of investment strategies which suggests the highest probability of maximizing the level of investment return within acceptable parameters for the total Fund's volatility and risk.

The RTA, Metra and Pace

Plan Description—Effective July 1, 1976, the RTA participates, along with Metra and Pace, in a cost-sharing multi-employer noncontributory defined benefit pension plan, the Regional Transportation Authority Pension Plan (Plan), covering substantially all employees not otherwise covered by a union pension plan. The responsibilities for establishing, administering, and amending the Plan are divided among a Board of Trustees, a Retirement Committee, a Plan Administrator, and the RTA Board of Directors (Plan Administrators).

The Plan is classified as a "governmental plan" and is, therefore, generally exempt from the provisions of the Employee Retirement Income Security Act of 1974. The Internal Revenue Service has issued a letter of determination dated September 30, 1988 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (Code) and is, therefore, exempt from Federal income taxes under the provisions of Section 501(a) of the Code. The Plan operates on a calendar fiscal year.

Pension Benefits—Participants are entitled to annual pension benefits upon normal retirement at age 65. Such benefits are generally based on a percentage of the average annual compensation in the highest three years of service, whether consecutive or not, multiplied by the number of years of credited service.

The Plan provides that, upon retirement, benefits will be reduced by a defined percentage for participants who received credit for prior service with an eligible employer.

The Plan permits early retirement with reduced benefits at age 55 after completing ten years of credited service. As a result of the August 1, 1999 amendment to the Plan, participants may receive their full

vested benefits if they are at least 55 years of age and their combined age at retirement and credited years of service equal eighty-five or higher (known as “Rule of Eighty-Five Early Retirement”).

The Plan provides for benefit payments to beneficiaries based on one of the payment methods selected by participants, as outlined in the Plan.

Disability Benefits—An employee is eligible for a disability pension if he or she becomes disabled after the completion of ten years of credited service, and is no longer receiving long-term disability benefits under a separate RTA benefit plan, or after reaching age 65, whichever is later.

Contributions and Vesting —The Plan is funded solely by employer contributions, which are actuarially determined under the entry age actuarial cost method. Contributions to the plan from the Authority were \$2.4 million for the year ended December 31, 2018.

Participating employees do not contribute to the Plan. If participants terminate continuous service before rendering five years (ten years prior to January 1, 1987) of credited service, they forfeit the right to receive the portion of their accumulated benefits attributable to employer contributions. All forfeitures are applied to reduce the amount of contributions otherwise payable by the employer.

At December 31, 2018, the Authority reported a liability of \$1,770 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority’s proportion of the net pension liability was based on a projection of the Authority’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2017, the Authority’s proportion was 9.90%, which was a decrease of 0.50% from its proportion measured as of the prior year measurement date.

For the year ended December 31, 2018, the Authority recognized pension expense of \$927 thousand. At December 31, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (amounts in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 744	\$ -
Changes of assumptions	51	77
Net difference between projected and actual earnings on pension plan investments	-	572
Changes in proportion and differences between Authority contributions and proportionate share of contributions	1,662	2,400
Authority contributions subsequent to the measurement date	2,367	-
Total	\$ 4,824	\$ 3,049

The \$2,367 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over the average remaining service life of plan members or a fixed five-year period as follows (amounts in thousands):

<u>Year ended December 31:</u>	<u>Amount</u>
2019	\$ (160)
2020	(357)
2021	60
2022	(148)
2023	13
Total	<u>\$ (592)</u>

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.25 percent to 8.75 percent including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP 2014 Employee Mortality Table, sex distinct, for pre-retirement mortality and the RP 2014 Healthy Annuitant Mortality table, sex distinct for post-retirement mortality. The assumed rate of investment return was adopted by the Plan's trustees after considering input from the Plan's investment consultant and actuary. Additional information about the assumed rate of investment return is included in the actuarial valuation report as of January 1, 2016 and experience study for the period January 1, 2009 through January 1, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These arithmetic real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of January 1, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	28.0 %	6.67 %
Developed Foreign Equity	16.0	7.41
Emerging Markets Equity	15.0	10.30
Private Equity	4.0	10.48
Investment Grade Bonds	11.0	1.25
Long-Term Government Bonds	3.0	1.67
TIPS	3.0	1.11
High-Yield Bonds	3.0	4.29
Emerging Markets Bonds (local)	2.0	3.49
Emerging Markets Bonds (major)	2.0	3.02
Real Estates	8.0	5.30
Real Assets	5.0	4.65

Discount rate. A single discount rate of 7.50% was used to measure the total pension liability. This single discount rate was based on the future expected rate of return on pension plan investments of 7.50%. The

projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at the actuarially determined contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate. The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate (amounts in thousands):

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Authority's proportionate share of the net pension liability	\$ 4,980	\$ 1,770	\$ (988)

Pension plan fiduciary net position. The complete Plan financial report, including all required disclosures can be obtained from the Plan Administrators at the following address:

Regional Transportation Authority Pension Plan
175 West Jackson Boulevard, Suite 1650
Chicago, IL 60604

NOTE 12. RISK MANAGEMENT

RTA

The RTA is exposed to various risks including, but not limited to, losses from workers' compensation, employee health insurance, and general liability/property. Commercial insurance coverage is procured to limit the RTA's exposure to such losses.

The Workers' Compensation and Employers' Liability Insurance Policy is held through The Hartford. The RTA is insured for \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease and \$500,000 policy limit. The RTA procured property, general liability, automobile, and umbrella insurance policies with Zurich American Insurance Company. Under these policies, the RTA is insured for \$1,000,000 each occurrence with a general aggregate limit of \$2,000,000, and a personal and advertising injury limit of \$1,000,000. The RTA also procured public officials and employment practices liability coverage through ACE American Insurance Company with an aggregate coverage limit of \$3,000,000; cyber liability coverage through Illinois Union Insurance Company with an aggregate coverage limit of \$3,000,000; and fidelity and crime coverage through Great American Insurance Group with an aggregate coverage limit of \$5,000,000. The RTA had no settlements in excess of this insurance coverage in the past three years. There have been no significant reductions in the amount of coverage from the prior year.

In addition, the RTA is a participant in RTA's Loss Financing Plan (Plan) and Joint Self-Insurance Fund. The Fund was created as required by Article Two of the Plan with the RTA and the three Service Boards as participants. The Plan is intended primarily to serve as a mechanism for funding catastrophic losses and, by capitalizing the Fund in advance of such losses, to smooth their impact over time. The Fund is essentially a self-insurance program that provides a means for financing losses that are normally insured, and is included in the RTA's reporting entity as a proprietary fund type (enterprise fund). The Plan is administered by the RTA, CTA, Metra, and Pace (Participating Entities) utilizing a Fund Manager appointed by the RTA and three Fund Advisors, one appointed by each of the Service Boards.

Each participating entity (RTA, CTA, Metra, and Pace) is only responsible to repay the Fund for submitted claims paid by the Fund. The Fund acts exclusively as a claims-service, and financing mechanism, not an insurer, with respect to claims presented.

The limit of liability to the Fund is established at \$50 million less the retained limit (deductible portion) as described below:

General Liability—The categories of general liability that are covered, with certain defined exclusions, by the joint agreement are:

- Personal injury
- Property damage
- Advertising injury
- Evacuation, evacuation expenses and loss of use

Further, the Plan purchases excess liability insurance on behalf of all four participating agencies, with self-insured retention limits of up to \$15,000,000 and coverage for losses from \$15,000,000 to \$100,000,000.

The retained limit (deductible portion) for each Participating Entity is:

	Amount (in thousands)
CTA	\$ 3,500
Metra	3,000
Pace	1,000
RTA	500

Director, Officer and Employee Liability—All directors, officers or employees of each Participating Entity are covered, with certain defined exclusions, by the Plan. The retained limits are \$100 thousand for each covered person. If a loss is covered under both types of liability, then the retained limit for general liability will apply.

CTA

The CTA is exposed to various types of risk of loss, including torts; theft of, damage to, or destruction of assets; errors or omissions; job-related illnesses or injuries to employees; natural disasters; and environmental occurrences. Also included are risks of loss associated with providing health, dental, and life insurance benefits to employees.

The CTA provides health insurance benefits to employees through two insured health maintenance organizations and a self-insured comprehensive PPO plan. The CTA provides dental insurance benefits through an insured dental maintenance organization and a self-insured dental indemnity plan. The CTA does not purchase stop-loss insurance for its self-insured comprehensive PPO plan. The CTA provides life insurance benefits for active employees through an insured life insurance program.

CTA purchases property insurance for damage to CTA property including rolling stock. This insurance program is effective July 29, 2018 to July 29, 2019. Property limit of liability is \$130 million per occurrence, and is purchased in two layers. The first/primary layer provides a \$25 million limit. The excess layer provides the \$105 million limit excess and above the primary. The basic policy deductible is \$250 thousand per each occurrence, with some exceptions as defined more fully in the policy.

The CTA is also self-insured for general liability, workers' compensation, employee accidents, environmental, business interruption, terrorism, and automotive liability losses arising from automotive liability, property, property-related business interruption, terrorism, employment-related suits, including

discrimination and sexual harassment, and management liability of board members, directors, and officers of the CTA.

The RTA provides excess liability insurance to protect the self-insurance programs for general liability and terrorism currently maintained by the CTA. There are three insurance policies in effect from June 15, 2018 to June 15, 2019. The first policy provided \$15 million in excess of the \$15 million self-insured retention and \$30 million in the aggregate. The second policy provides \$20 million in excess of the \$30 million and \$40 million in the aggregate. The third policy provides \$50 million in excess of \$50 million and \$100 million in the aggregate. In 2018 and 2017, no CTA claim existed that is expected to exceed the \$15 million self-insured retention under this insurance policy.

The CTA participates in a Joint Self-Insurance Fund (the Fund) with the RTA that permits the CTA to receive monies necessary to pay injury and damage claims in excess of \$2.5 million per occurrence up to a maximum of \$47.5 million from the Fund. The CTA is obligated to reimburse the Fund for the principal amount borrowed plus a floating interest rate. However, reimbursement payments, including interest, cannot exceed \$3.5 million in any one year. No borrowings were made from the Fund in fiscal years 2018 or 2017.

Settlements did not exceed coverage for any of the past four years, and there has been no significant reduction in coverage during that period.

Self-insured liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. The estimate for injury and damage claims is adjusted for a current trend rate and discount factor of 2.0% and 3.0%, respectively. The estimate for workers' compensation claims is adjusted for a current trend rate and discount factor of 4.0% and 3.0%, respectively. Changes in the balance of claims liabilities during the past two years are as follows (in thousands of dollars):

	Injury and Damage	Group Health and Dental	Workers' Compensation	Total
Balance at January 1, 2016	\$ 96,120	\$ 19,683	\$ 168,038	\$ 283,841
Funded*	10,500	147,992	58,229	216,721
Funding (excess)/deficiency per actuarial requirement	(1,548)	-	(7,538)	(9,086)
Payments*	(16,230)	(147,713)	(58,266)	(222,209)
Balance at December 31, 2016	88,842	19,962	160,463	269,267
Funded*	3,167	151,765	55,752	210,684
Funding (excess)/deficiency per actuarial requirement	21,479	-	6,084	27,563
Payments*	(38,591)	(152,771)	(55,752)	(247,114)
Balance at December 31, 2017	74,897	18,956	166,547	260,400
Funded*	5,000	159,769	53,644	218,413
Funding (excess)/deficiency per actuarial requirement	30,648	-	(1,482)	29,166
Payments*	(31,882)	(159,207)	(53,644)	(244,733)
Balance at December 31, 2018	\$ 78,663	\$ 19,518	\$ 165,065	\$ 263,246

Chapter 70, Paragraph 3605/39 of the Illinois Compiled Statutes requires the CTA to establish an injury and damage reserve in order to provide for the adjustment, defense, and satisfaction of all suits, claims, and causes of action, and the payment and satisfaction of all judgments entered against the CTA for

damages caused by injury to or death of any person and for damages to property resulting from the construction, maintenance, and operation of the transportation system. The statute also requires the CTA to separately fund the current year's budgeted provision for the injury and damage reserve. See Note 5 regarding cash and investment amounts maintained in this account.

NOTE 13. REGION-WIDE FINANCIAL INFORMATION

The RTA management has elected to present certain region-wide financial information. The purpose of this information is to provide a total overview of transportation-related operations in the Northeastern Illinois region. This information includes the transportation-related results of the Service Boards' affiliated carriers. Accordingly, this region-wide information is presented in the combining region-wide schedules of revenues and expenses and the combining region-wide statement of revenues and expenses—budget and actual.

The basic financial statements of the RTA and the Service Boards used to prepare the combining statement of revenues and expenses do not include the aggregate of system-generated revenues and costs. The combining region-wide schedules of revenues and expenses include the aggregate of all system-generated revenues and costs.

For purposes of the system-generated revenues recovery ratio calculation, the Act requires that the costs used in the calculation include all operating costs consistent with accounting principles generally accepted in the United States of America, with certain allowable adjustments as enumerated in the Act. Costs funded by Federal capital grants are recorded as capital assets, and are excluded from the recovery ratio calculation as required by the Act.

The Act requires that the aggregate of all system-generated revenues equal at least 50% of the aggregated costs of providing such public transportation.

For 2018, the region-wide system-generated revenue recovery ratio is calculated from the combining region-wide schedules of revenues and expenses (budget and actual budget basis) as follows:

System-generated Revenue Recovery Ratio (in thousands)		Revenues	Expenses
CTA ^(a)	\$	748,373	\$ 1,310,443
Metra ^(b)		419,157	735,686
Pace ^(c)		70,653	227,128
RTA		10,061	36,618
Total	\$	<u>1,248,244</u>	<u>\$ 2,309,875</u>

The region-wide system-generated revenue recovery ratio for 2018 equals 52.59%.

- a) The system-generated revenue recovery ratio for the excluded Senior/Circuit Breaker Free Rides revenue of \$29 million, but excluded CTA expenses for security costs of \$17.5 million, security camera contracts & department costs for \$24.9 million, pension obligation bond debt service cost of \$156.6 million, \$4.8 million for depreciation and \$6 million of ICE costs. It also included in-kind services of \$22 million, both as revenues and expenses.
- b) Metra's system-generated revenue recovery ratio excluded Senior/Circuit Breaker Free Rides revenue of \$2.1 million and \$19.9 million of security costs, \$19.5 million for lease of transportation facilities, \$3.5 million for depreciation expense to carriers.

- c) Pace's system-generated revenue recovery ratio included an in-kind service of \$10.8 million both as revenues and expenses but excluded Senior/Circuit Breaker Free Rides revenue of \$2.3 million, pension costs of \$2.4 million in excess of actual contributions and bond interest costs of \$242 thousand.

These are allowable adjustments for the revenues recovery ratio computation per the Act. These adjustments are also reflected in the region-wide information, with the exception of the Senior/Circuit Breaker free ride credit, which is disallowed at the regional level.

Also, RTA Act section 4.01(b) requires the RTA Board to determine that the level of fares charged for ADA paratransit services is sufficient to cause the aggregate of all projected revenues from such fares charged and received in each fiscal year to equal at least 10% of the aggregate costs of providing such ADA paratransit services in fiscal years 2018. Pace ended the year with a 10.4% recovery ratio for Regional ADA Paratransit Services. The 2018 budget for ADA paratransit service adopted by the RTA meets the 10% recovery ratio requirement.

NOTE 14. RECONCILIATION OF GOVERNMENT-WIDE TO REGION-WIDE REVENUES AND EXPENSES

RTA's government-wide financial statements do not include fiduciary fund financial statement information which is added in the region-wide presentation. As also stated in Note 13, in-kind services are added in the system-generated revenues and expenses.

The following data (in thousands) reconciles the combining government-wide to region-wide schedules of revenues and expenses:

	RTA	CTA	Metra	Pace
Government-wide revenues (page 46)	\$ 702,402	\$ 1,955,792	\$ 1,078,056	\$ 444,935
Sales tax agency fund	1,258,500	-	-	-
Pension trust fund	(4,497)	-	-	-
Senior free rides	-	29,040	2,100	2,293
In-kind services	-	22,000	-	10,800
GASB 34	(20,411)	-	-	-
Region-wide revenues (page 47)	1,935,994	2,006,832	1,080,156	458,028
Government-wide expenses (page 46)	591,861	2,093,437	1,053,468	443,191
Sales tax agency fund	1,258,500	-	-	-
Pension trust fund	22,287	-	-	-
In-kind services	-	22,000	-	10,800
Security costs	-	(42,371)	(19,905)	-
Lease of transportation facilities	-	-	(19,477)	-
ICE	-	(6,018)	-	-
Pension and other employee benefits	-	(156,576)	-	(2,351)
Capital (depreciation, disposals/additions)	-	(4,802)	(3,512)	-
GASB 34	(6,740)	-	-	-
Region-wide expenses (page 47)	1,865,908	1,905,670	1,010,574	451,640
Net revenues	\$ 70,086	\$ 101,162	\$ 69,582	\$ 6,388

NOTE 15. SUBSEQUENT EVENTS

CTA

On January 31, 2019 and February 22, 2019, the CTA drew down \$19,815,000 and \$30,000,000, respectively, on the 2018 capital line of credit. Additionally, on April 10, 2019 the CTA Board approved an ordinance authorizing an increase in the 2018 capital line of credit total borrowing capacity from \$15,000,000 to \$300,000,000.

Draft

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS

SPECIAL-PURPOSE COMBINING GOVERNMENT-WIDE SCHEDULES OF REVENUES AND EXPENSES

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

		Service Boards			Combining Adjustments		Total
	RTA	Chicago	Commuter	Suburban			
	Government-Wide	Transit Authority	Rail Division	Bus Division	Debit	Credit	Combined
REVENUES:							
Service Boards operating revenues	\$ -	\$ 656,076	\$ 417,057	\$ 70,502	\$ 1,544	\$ -	\$ 1,142,091
RTA financial assistance	-	809,352	403,236	324,642	1,313,376	-	223,854
Other public funding	-	37,774	154,701	6,470	-	-	198,945
Capital grants	-	441,162	103,062	42,145	209,451	-	376,918
Sales taxes	137,164	-	-	-	-	1,240,655	1,377,819
Interest on sales taxes	1,074	-	-	-	-	-	1,074
Public Transportation Fund	363,306	-	-	-	152,628	-	210,678
Operating assistance	26,971	-	-	-	12,539	-	14,432
State assistance	129,681	-	-	-	-	-	129,681
Other intergovernmental revenues	22,784	-	-	-	-	-	22,784
Investment income	10,363	11,428	-	1,176	-	-	22,967
Program revenues and other	11,059	-	-	-	-	-	11,059
Total revenues	702,402	1,955,792	1,078,056	444,935	1,689,538	1,240,655	3,732,302
EXPENSES:							
Operating	-	1,435,054	778,580	391,348	-	1,545	2,603,437
Depreciation	-	459,447	274,888	51,843	-	-	786,178
Financial Assistance to Service Boards	218,240	-	-	-	-	218,240	-
Operating Assistance - CTA & Pace	35,030	-	-	-	-	35,030	-
Capital grants—discretionary	1,238	-	-	-	-	1,238	-
Capital grants—bonds	192,831	-	-	-	-	192,831	-
Insurance (JSIF)	5,424	-	-	-	-	-	5,424
Administrative and other expenses	18,756	-	-	-	-	-	18,756
Regional expenses	24,025	-	-	-	-	-	24,025
Technology program	577	-	-	-	-	-	577
Bond interest/Prepaid Ins Bond	95,740	193,093	-	-	-	-	288,833
Interest expense from leasing transactions	-	5,843	-	-	-	-	5,843
Total expenses	591,861	2,093,437	1,053,468	443,191	-	448,884	3,733,073
NET REVENUES (EXPENSES)	\$ 110,541	\$ (137,645)	\$ 24,588	\$ 1,744	\$ 1,689,538	\$ 1,689,539	\$ (771)

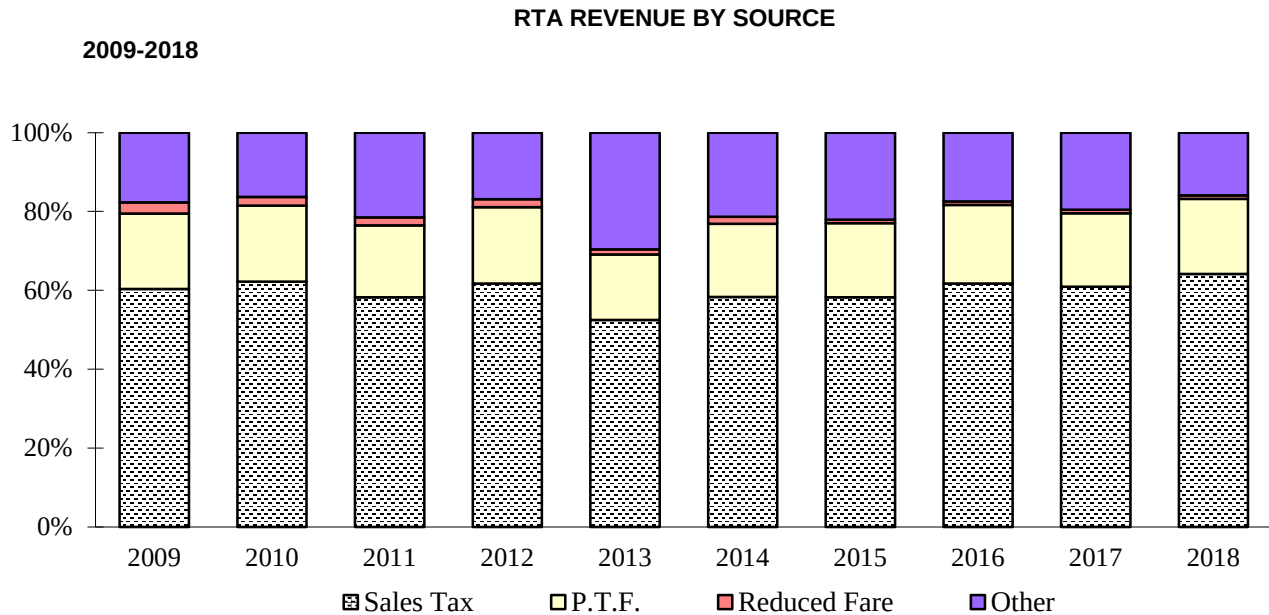
Note 1—Changes in net position shown on page 4 and net revenues and expenses shown on this page are similar.

Note 2—Government-wide to region-wide revenues and expenses shown on this page are reconciled in Note 14.

REGIONAL TRANSPORTATION AUTHORITY AND SERVICE BOARDS
SPECIAL-PURPOSE COMBINING REGION-WIDE SCHEDULES OF REVENUES AND EXPENSES—BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2018
(In Thousands)

	RTA		Service Boards			Combining Adjustments		Total Combined	Total Region-Wide Budget
	Government-Wide and Fiduciary Funds (1)	Chicago Transit Authority	Commuter Rail Division	Suburban Bus Division	Debit	Credit			
REVENUES:									
RTA financial assistance	\$ -	\$ 809,352	\$ 403,236	\$ 324,642	\$ 1,312,986	\$ -	\$ 224,244	\$ -	
Other public funding	-	-	154,701	6,470	-	-	161,171	-	
Capital grants	-	441,162	103,062	42,145	209,451	-	376,918	-	
Sales taxes	1,224,800	-	-	-	-	-	1,224,800	1,235,755	
Public Transportation Fund	368,366	-	-	-	152,628	-	215,738	368,410	
General State revenue	147,569	-	-	-	-	-	147,569	-	
Operating assistance	26,971	-	-	-	12,539	-	14,432	-	
State Assistance Inc.	129,681	-	-	-	-	-	129,681	130,283	
State reduced fare reimbursement	16,692	-	-	-	16,692	-	-	34,070	
Pension contribution	12,891	-	-	-	-	-	12,891	-	
Pension investment income	(17,390)	-	-	-	-	-	(17,390)	-	
Other revenues	22,784	7,945	-	14,118	-	-	44,847	-	
Interest on sales taxes to Service Boards	1,545	-	-	-	1,545	-	-	-	
Subtotal	1,933,909	1,258,459	660,999	387,375	1,705,841	-	2,534,901	1,768,518	
Investment income	10,363	-	-	-	-	-	10,363	1,374	
Other revenues	11,059	-	-	-	-	-	11,059	-	
Interest on sales taxes	1,074	-	-	-	-	-	1,074	200	
Service Boards revenues	-	697,333	417,057	57,560	390	-	1,171,560	1,192,869	
GASB 34 conversion	(20,411)	-	-	-	-	-	(20,411)	-	
Add (Subtract):									
Senior Free Ride	-	29,040	2,100	2,293	-	-	33,433	-	
In-kind services	-	22,000	-	10,800	-	-	32,800	-	
Subtotal	2,085	748,373	419,157	70,653	390	-	1,239,878	1,194,443	
Total revenues	1,935,994	2,006,832	1,080,156	458,028	1,706,231	-	3,774,779	2,962,961	
EXPENSES:									
Depreciation	-	454,644	274,888	51,843	-	-	781,375	-	
Interest expenses from leasing transactions	-	5,843	-	-	-	-	5,843	-	
Interest expenses from bond transactions	-	92,556	-	-	-	-	92,556	-	
Operating grants to Service Boards	1,280,798	-	-	-	-	1,280,798	-	-	
CTA & PACE (PTF) expenditures	212,735	-	-	-	-	212,735	-	-	
Capital grants—discretionary	1,238	-	-	-	-	1,238	-	-	
Capital grants—bonds	192,831	-	-	-	-	192,831	-	-	
State reduced fare reimbursement	16,692	-	-	-	-	16,692	-	-	
Regional expenses and other	-	-	-	172,669	-	-	172,669	178,587	
Bond-related expenses	95,740	-	-	-	-	-	95,740	221,633	
Pension and other employee benefits	22,287	42,182	-	-	-	-	64,469	-	
Miscellaneous expense	5,424	-	-	-	-	-	5,424	-	
Interest on sales taxes to Service Boards	1,545	-	-	-	-	1,545	-	-	
Subtotal	1,829,290	595,225	274,888	224,512	-	1,705,839	1,218,076	400,220	
Operating expenses	-	1,498,212	778,580	218,679	-	390	2,495,081	2,543,805	
Pension and other employee benefits	-	-	-	-	-	-	-	16,099	
Administrative expenses	18,756	-	-	-	-	-	18,756	17,588	
Regional expenses	24,025	-	-	-	-	-	24,025	-	
Technology program	577	-	-	-	-	-	577	-	
GASB 34 conversion	(6,740)	-	-	-	-	-	(6,740)	-	
Add (Subtract):									
In-kind services	-	22,000	-	10,800	-	-	32,800	32,800	
Security costs	-	(42,371)	(19,905)	-	-	-	(62,276)	(62,276)	
Bond Interest expense	-	-	-	-	-	-	-	-	
Pension Obligation Bond Debt Service	-	(156,576)	-	(2,351)	-	-	(158,927)	(158,927)	
Lease of transportation facilities	-	-	(19,477)	-	-	-	(19,477)	(19,477)	
ICE	-	(6,018)	-	-	-	-	(6,018)	(6,018)	
Capital (depreciation, disposals/additions)	-	(4,802)	(3,512)	-	-	-	(8,314)	(8,314)	
Subtotal	36,618	1,310,445	735,686	227,128	-	390	2,309,487	2,355,280	
Total expenses	1,865,908	1,905,670	1,010,574	451,640	-	1,706,229	3,527,563	2,755,500	
NET REVENUES (EXPENSES)	\$ 70,086	\$ 101,162	\$ 69,582	\$ 6,388	\$ 1,706,231	\$ (1,706,229)	\$ 247,216	\$ 207,461	

(1) RTA amounts represent government-wide revenues and expenses and fiduciary fund increases (revenues) and decreases (expenses).



Last Ten Years

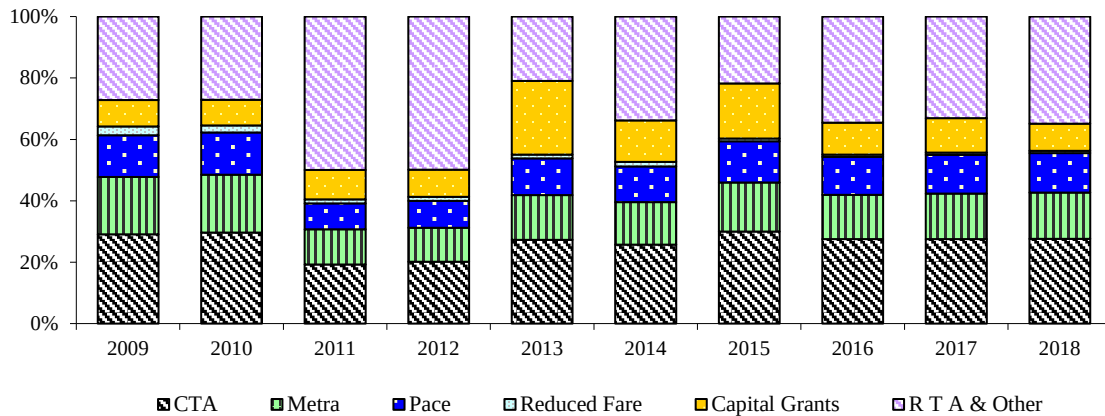
(In Thousands)

	Sales Tax	Public Transportation Fund	Reduced Fare	Other	Total
12 Months Ended 12/31/09	\$ 894,238	\$ 282,541	\$ 41,970	\$ 262,098	\$ 1,480,847
<i>Percentage of Total</i>	60.39%	19.08%	2.83%	17.70%	100%
12 Months Ended 12/31/10	931,435	287,404	33,570	243,845	1,496,254
<i>Percentage of Total</i>	62.25%	19.21%	2.24%	16.30%	100%
12 Months Ended 12/31/11	975,670	305,395	34,070	360,002	1,675,137
<i>Percentage of Total</i>	58.24%	18.23%	2.03%	21.49%	100%
12 Months Ended 12/31/12	1,021,686	319,892	34,070	279,571	1,655,219
<i>Percentage of Total</i>	61.73%	19.33%	2.06%	16.89%	100%
12 Months Ended 12/31/13	1,071,225	339,188	25,820	604,173	2,040,406
<i>Percentage of Total</i>	52.50%	16.62%	1.27%	29.61%	100%
12 Months Ended 12/31/14	1,121,275	357,711	34,070	410,449	1,923,505
<i>Percentage of Total</i>	58.29%	18.60%	1.77%	21.34%	100%
12 Months Ended 12/31/15	1,169,268	376,897	17,570	443,582	2,007,317
<i>Percentage of Total</i>	58.25%	18.78%	0.88%	22.10%	100%
12 Months Ended 12/31/16	1,185,182	382,748	17,570	335,398	1,920,898
<i>Percentage of Total</i>	61.70%	19.93%	0.91%	17.46%	100%
12 Months Ended 12/31/17	1,185,986	362,647	17,570	380,963	1,947,166
<i>Percentage of Total</i>	60.91%	18.62%	0.90%	19.56%	100%
12 Months Ended 12/31/18	1,237,339	368,367	16,692	306,944	1,929,342
<i>Percentage of Total</i>	64.13%	19.09%	0.87%	15.91%	100%

Note: Amounts above include revenues from the General Fund and the Agency Fund

DISTRIBUTION OF EXPENDITURES

2008-2017



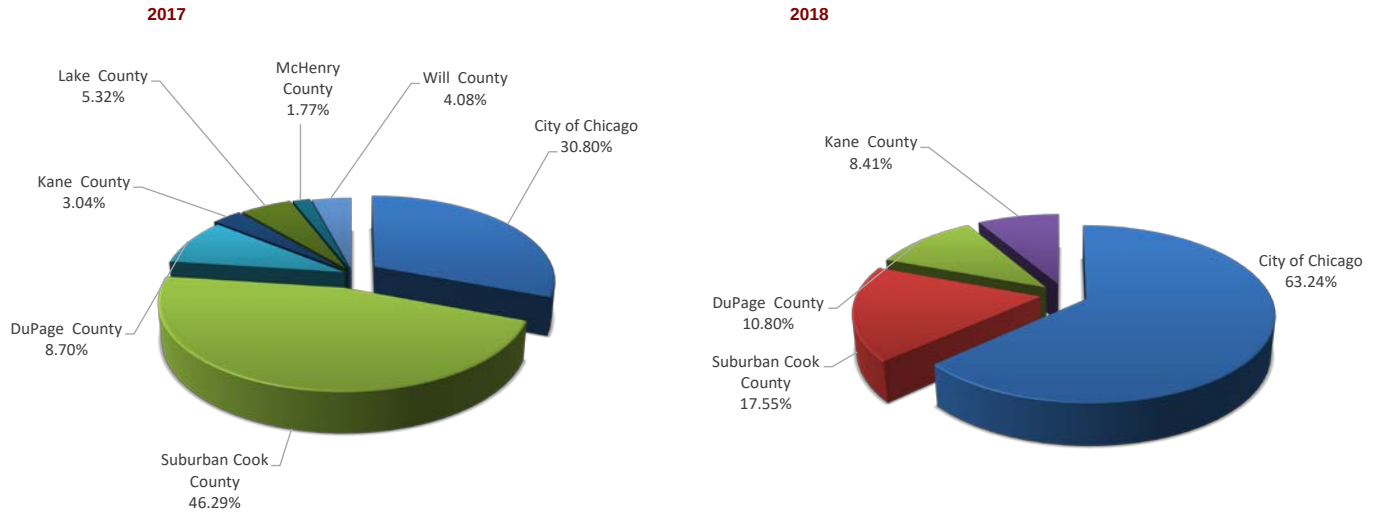
Last Ten Years

(In Thousands)

	Financial Assistance				Reduced Fare	Capital Grants	R T A and Other	Total
	CTA	Metra	Pace	Total				
12 Months Ended 12/31/09	\$ 417,288	\$ 267,576	\$ 194,698	\$ 879,562	\$ 41,970	\$ 123,069	\$ 389,857	\$ 1,434,457
Percentage of Total	29.09%	18.65%	13.57%	61.32%	2.93%	8.58%	27.18%	100%
12 Months Ended 12/31/10	436,467	277,506	202,463	916,436	33,570	122,998	398,531	1,471,534
Percentage of Total	29.66%	18.86%	13.76%	62.28%	2.28%	8.36%	27.08%	100%
12 Months Ended 12/31/11	485,117	289,179	212,253	986,549	34,070	241,047	1,258,260	2,519,926
Percentage of Total	19.25%	11.48%	8.42%	39.15%	1.35%	9.57%	49.93%	100%
12 Months Ended 12/31/12	538,594	297,369	233,872	1,069,835	34,070	237,717	1,333,074	2,674,696
Percentage of Total	20.14%	11.12%	8.74%	40.00%	1.27%	8.89%	49.84%	100%
12 Months Ended 12/31/13	576,678	308,812	252,133	1,137,623	25,820	508,343	442,732	2,114,518
Percentage of Total	27.27%	14.60%	11.92%	53.80%	1.22%	24.04%	20.94%	100%
12 Months Ended 12/31/14	597,363	322,518	268,657	1,188,538	34,070	314,780	785,469	2,322,856
Percentage of Total	25.72%	13.88%	11.57%	51.17%	1.47%	13.55%	33.81%	100%
12 Months Ended 12/31/15	631,806	337,773	283,751	1,253,330	17,570	379,755	458,601	2,109,256
Percentage of Total	29.95%	16.01%	13.45%	59.42%	0.83%	18.00%	21.74%	100%
12 Months Ended 12/31/16	642,155	336,898	287,674	1,266,728	17,570	242,086	806,311	2,332,695
Percentage of Total	27.53%	14.44%	12.33%	54.30%	0.75%	10.38%	34.57%	100%
12 Months Ended 12/31/17	630,467	339,865	288,253	1,258,585	17,570	256,362	758,542	2,291,059
Percentage of Total	27.52%	14.83%	12.58%	54.93%	0.77%	11.19%	33.11%	100%
12 Months Ended 12/31/18	650,167	352,502	303,207	1,305,876	16,692	209,061	819,100	2,350,729
Percentage of Total	27.66%	15.00%	12.90%	55.55%	0.71%	8.89%	34.84%	100%

Note: Amounts above include expenditures from the General Fund and the Agency Fund

SALES TAX REVENUE SOURCE BY COUNTY/CITY OF CHICAGO



Last Ten Years

(In Thousands)

	City of Chicago	Suburban Cook County	DuPage County	Kane County	Lake County	McHenry County	Will County	Total
12 Months Ended 12/31/09	\$267,553	\$418,793	\$79,060	\$27,144	\$49,782	\$16,627	\$35,279	\$894,238
Percentage of Total	29.92%	46.83%	8.84%	3.04%	5.57%	1.86%	3.95%	100%
12 Months Ended 12/31/10	278,394	438,000	81,996	28,368	50,789	17,193	36,695	931,435
Percentage of Total	29.89%	47.02%	8.80%	3.05%	5.45%	1.85%	3.94%	100%
12 Months Ended 12/31/11	295,770	453,866	85,937	29,799	52,994	17,712	39,592	975,670
Percentage of Total	30.31%	46.52%	8.81%	3.05%	5.43%	1.82%	4.06%	100%
12 Months Ended 12/31/12	312,519	474,249	88,845	30,569	56,169	18,284	41,051	1,021,686
Percentage of Total	30.59%	46.42%	8.70%	2.99%	5.50%	1.79%	4.02%	100%
12 Months Ended 12/31/13	327,809	497,997	94,329	31,667	57,650	19,077	42,696	1,071,225
Percentage of Total	30.60%	46.49%	8.81%	2.96%	5.38%	1.78%	3.99%	100%
12 Months Ended 12/31/14	343,832	521,593	97,995	33,208	62,156	19,964	45,249	1,123,997
Percentage of Total	30.59%	46.41%	8.72%	2.95%	5.53%	1.78%	4.03%	100%
12 Months Ended 12/31/15	363,131	541,214	100,795	34,482	62,705	20,385	46,555	1,169,267
Percentage of Total	31.06%	46.29%	8.62%	2.95%	5.36%	1.74%	3.98%	100%
12 Months Ended 12/31/16	368,589	546,376	102,966	35,476	63,521	20,801	47,453	1,185,182
Percentage of Total	31.10%	46.10%	8.69%	2.99%	5.36%	1.76%	4.00%	100%
12 Months Ended 12/31/17	365,311	548,955	103,254	36,047	63,041	20,976	48,403	1,185,987
Percentage of Total	30.80%	46.29%	8.70%	3.04%	5.32%	1.77%	4.08%	100%
12 Months Ended 12/31/18	380,082	572,126	105,460	37,452	64,929	21,507	50,455	1,232,011
Percentage of Total	30.85%	46.44%	8.56%	3.04%	5.27%	1.75%	4.10%	100%

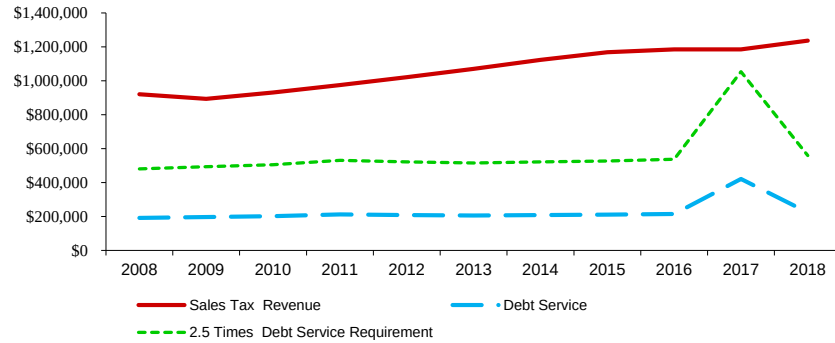
Note: Amounts above include revenues from the General Fund and the Agency Fund

LEGAL DEBT CAPACITY*(In Thousands)***2018**

	Balance Outstanding at December 31, 2018	Issued	Working Cash Notes	Total
Legal Debt Margin:				
Debt Limitation per Act for General Obligations				
Debt applicable to limitation :				\$2,600,000
Non-SCIP Bonds:				
1990A General Obligation Bonds	\$14,765			
1991A General Obligation Bonds	20,655			
1994B General Obligation Bonds	-			
1994D General Obligation Bonds	13,560			
1997 General Obligation Refunding Bonds	24,445			
2003B General Obligation Bonds	104,315			
2005B General Obligation Refunding Bonds	84,685			
2010A General Obligation Bonds	24,475			
2010B General Obligation Bonds	112,925			
2011A General Obligation Refunding Bonds	15,500			
2014A General Obligation Bonds	92,855			
2016A General Obligation Bonds	92,500			
2018B General Obligation Bonds	139,080			
Total RTA Bonds Applicable to Limitation	739,760			(739,760)
SCIP Bonds:				
1992A General Obligation Bonds	-	188,000		
1993A General Obligation Bonds	-	55,000		
1994A General Obligation Bonds	-	195,000		
1994C General Obligation Bonds	9,790	62,000		
1999 General Obligation Refunding Bonds	145,845	-		
2000 General Obligation Bonds	160,955	260,000		
2001A General Obligation Bonds	63,060	100,000		
2001B General Obligation Refunding Bonds	16,945	-		
2002A General Obligation Bonds	106,460	160,000		
2003A General Obligation Bonds	180,975	260,000		
2004A General Obligation Bonds	187,745	260,000		
2006A General Obligation Bonds	-	250,030		
2017A General Obligation Bonds	191,205	-		
Total SCIP Bonds Applicable to Limitation	1,062,980	\$1,790,030		(1,790,030)
Total SCIP Bonds Outstanding				
Total Bonds Outstanding	\$1,802,740			
Debt Margin for General Obligations				70,210
Debt Limitation per Act for Working Cash Notes			\$400,000	
Total RTA Working Cash Notes Applicable to Limitation	200,000		(200,000)	
Debt Margin for Working Cash Notes				200,000
Total Legal Debt Margin				\$270,210

COMPARISON OF SALES TAX REVENUE
TO DEBT SERVICE REQUIREMENT

2009 - 2018
(In Thousands)



As defined in the Bond and Note General Ordinance, ordinance 85-39, Section 909 (3), revenue test required that all RTA revenues shall equal or exceed two and one-half (2.5) times the maximum annual debt service requirements. In the graph presented above, the RTA compares 2.5 times debt service requirement to sales tax revenues, a major RTA revenue. In effect, the RTA significantly exceeds the revenue test defined in the ordinance.

Last Ten Years

(In Thousands)

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sales Tax Revenue	\$ 894,238	\$ 931,435	\$ 975,670	\$ 1,021,686	\$ 1,071,225	\$ 1,123,997	\$ 1,169,267	\$ 1,185,182	\$ 1,185,986	\$ 1,237,339
Debt Service Requirement	197,529	201,994	212,441	208,712	206,228	208,985	211,041	214,984	421,835	223,893
2.5 Times Debt Service Requirement	493,823	504,985	531,103	521,780	515,570	522,463	527,603	537,460	1,054,588	559,733

Differences, if any, between debt service amounts presented above and amounts presented in the accompanying financial statements represent timing differences between payments made to trustees and payments made to bondholders. Also, investment income earned in the debt service accounts may lower actual cash transfers from the General Fund.

Table 6

**RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS
FOR GENERAL OBLIGATION BONDS TO TOTAL EXPENDITURES**

<i>Last Ten Years</i>				<i>(In Thousands)</i>	
Year	Debt Service Requirements			Total	Ratio of Debt Service to Total
	Principal	Interest	Total	Expenditures	Expenditures
2009	\$ 68,455	\$ 129,074	\$ 197,529	\$ 1,434,457	13.77%
2010	74,060	127,934	201,994	1,475,959	13.69%
2011	79,110	133,331	212,441	2,519,926	8.43%
2012	84,375	124,337	208,712	2,679,696	7.79%
2013	88,800	117,428	206,228	2,119,518	9.73%
2014	93,740	115,245	208,985	2,322,856	9.00%
2015	100,610	110,431	211,041	2,109,256	10.01%
2016	106,385	108,599	214,984	2,332,695	9.22%
2017	313,870	107,965	421,835	2,291,059	18.41%
2018	121,295	102,598	223,893	2,350,729	9.52%

Table 7

**FEDERAL ALLOCATION OF CAPITAL FUNDS
TO NORTHEASTERN ILLINOIS**

Last Ten Calendar Years

Sections 5309, 5307/5340, 5337 and Title 1 including CMAQ and STP (Formerly Section 3, 9, & 23, respectively)

(In Millions)

Federal Fiscal Year	Total Awarded	Chicago Transit Authority	Commuter Rail Division	Suburban Bus Division	Regional Transportation Authority
2008	489.91	279.38	169.55	40.98	-
2009	917.78	535.32	297.57	84.89	-
2010	459.25	266.23	154.97	38.05	-
2011	489.37	299.50	145.02	44.85	-
2012	537.26	306.46	149.63	41.39	39.78
2013	629.76	403.73	158.59	67.44	-
2014	533.43	317.02	161.55	54.86	-
2015*	1,034.69	826.16	161.32	47.21	-
2016	528.31	295.30	190.69	42.32	-
2017*	504.56	294.77	169.83	39.96	-
2018*	576.66	342.48	186.29	47.89	-
Total	\$ 6,700.98	\$ 4,166.35	\$ 1,945.01	\$ 549.84	\$ 39.78

Source of data: Information obtained from the Service Boards' records.

* 2015 data includes \$557.00 TIFIA funding for CTA. Out of \$557.00 applied for, CTA received \$374.90

* 2017 data includes \$5.18M of reprogrammed CTA federal formula funds, \$0.06M additional Metra federal formula funds and \$0.01M additional Pace federal formula funds

* 2018 data includes reprogrammed federal formula funds: \$0.13M for CTA, \$0.26M for Metra, and \$0.02M for Pace; for a total of \$0.41M of reprogrammed federal formula funds

RTA & SERVICE BOARDS OPERATING CHARACTERISTICS

2018

<u>Chicago Transit Authority</u>	<u>Metra Commuter Rail Division*</u>	<u>Pace Suburban Bus Division</u>
<u>Rapid Transit</u>	<u>Commuter Rail</u>	<u>Fixed Route Bus</u>
• 8 rail lines	• 11 rail lines	• 162 regular routes
• 145 stations served	• 488 route miles	• 43 feeder routes
• 1,492 rapid transit cars	• 1,155 miles of track	• 20 shuttle routes
• 225.9 million riders per year	• 242 stations	• 626 vehicles in use during peak periods
• 1,801 STO* positions	• 149 locomotives	• 27.7 million riders per year
	• 855 passenger cars	• 780 Pace-owned buses
<u>Motor Bus</u>	• 186 electric cars	• 1,750 full-time employees
• 129 bus routes	• 686 weekday trains operated	
• 1,864 buses	• 76.1 million riders per year	<u>ADA Paratransit</u>
• 242.2 million riders per year	• 4,870 full-time employees	• 331 Pace-owned lift-equipped vehicles in service
• 3,796 STO* positions	• 1.7 billion passenger miles per year	• 4.3 million riders per year
	• 43.7 million vehicle revenue miles per year	• 47 full-time employees
<u>CTA Totals</u>		
• 1.4 billion rail passenger miles per year		<u>Dial-a-Ride</u>
• 613.0 million bus passenger miles per year		• 68 local services
• 125.9 million vehicle revenue miles per year		• 309 Pace-owned lift-equipped vehicles in service
• 4,300 without STO* positions		• 284 communities served
		• 0.8 million riders per year
		<u>Vanpool</u>
		• 556 vanpool vehicles in operation
		• 1.7 million riders per year

*STO is scheduled transit operators. This classification includes bus operators, motormen, conductors, and customer assistants.

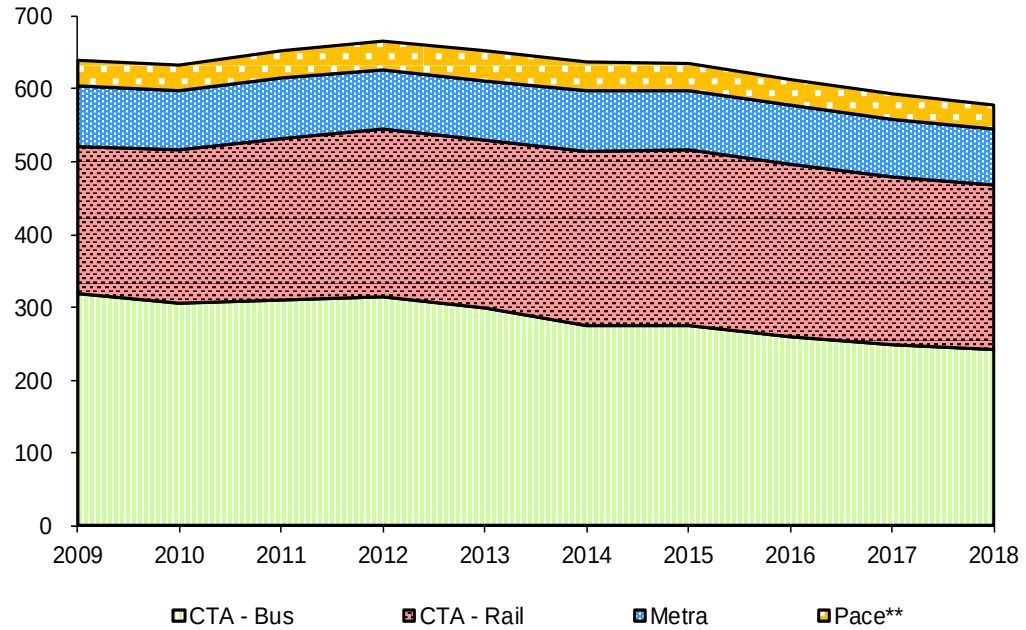
*All data excludes NICTD South Shore

Source of data: Information obtained from the Service Boards, the NTD, and RTA records.

System Ridership and Unlinked Passenger Trips

2009-2018

(In Millions)



Last Ten Years

(In Millions)

Service Consumed:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CTA - Bus	318.7	306	310.4	314.4	300.1	276.1	274.3	259.1	249.2	242.2
CTA - Rail	202.6	210.9	221.6	231.2	229.1	238.1	241.7	238.6	230.2	225.9
Total CTA*	521.3	516.9	532	545.6	529.2	514.2	516	497.7	479.4	468.1
Metra	82.3	81.4	82.7	81.3	82.3	83.4	81.6	80.1	78.6	76.2
Pace**	35.1	35.1	37.1	39.2	39.9	38.9	37.3	35.4	35.5	34.5
System Total	638.7	633.4	651.8	666.1	651.4	636.5	634.9	613.2	593.5	578.8
Percent Change	-2.3%	-0.8%	2.9%	2.2%	-2.2%	-2.3%	-0.3%	-3.4%	-3.2%	-2.5%

*CTA ridership includes rail-to-rail transfers.

**PACE ridership includes ADA Paratransit rides beginning in 2007.

Source of data: National Transit Database and Service Board reported data.

FINANCIAL RESULTS OF PURCHASED SERVICES AGENCIES

The following is a summary of the financial results, as reported to the Service Boards, of each transportation agency, which had a purchase of service agreement with a Service Board or received financial grants or financial assistance from a Service Board during 2018.

(In Thousands)

	Operating Revenues	Operating Expenses	Operating Deficit	Service Board Funding	Other Public Funding
Metra					
Union Pacific	\$ 133,842	\$ 224,459	\$ (90,617)	\$ 90,617	\$ -
Burlington Northern/Santa Fe	79,260	83,760	(4,500)	4,500	-
Total Metra	\$ 213,102	\$ 308,219	\$ (95,117)	\$ 95,117	\$ -
Pace					
Summary of Services					
Fixed Route - Public Funded Carriers	\$ 1,516	\$ 3,424	\$ (1,908)	\$ 3,424	\$ 1,907
Fixed Route - Private Contract Carriers	5,741	1,722	4,018	-	-
Total Fixed Route Service	7,257	5,146	2,110	3,424	1,907
Private Contract Carriers					
DAR Services	1,649	14,680	(13,031)	6,272	6,758
DAR and Stable Services	11,921	153,173	(141,252)	141,252	-
Total Private Contract Carriers	13,570	167,853	(154,283)	147,524	6,758
Paratransit - Municipal Carriers	288	4,296	4,008	714	3,382
Total Pace	\$ 21,115	\$ 177,295	\$ (148,165)	\$ 151,662	\$ 12,047
Pace					
Detail of Services					
<u>Fixed Route - Public Funded Carriers</u>					
City of Highland Park	\$ 688	\$ 1,538	\$ (850)	\$ 1,538	\$ 850
Village of Niles	542	1,410	(868)	1,410	867
Village of Schaumburg	286	476	(190)	476	190
Total	\$ 1,516	\$ 3,424	\$ (1,908)	\$ 3,424	\$ 1,907
<u>Private Contract Carriers - Fixed Route</u>					
First Student	\$ 3,076	\$ 1,006	\$ 2,070	\$ -	\$ -
First Transit	554	27	526	-	-
M V Transportation	2,111	689	1,422	-	-
Total	\$ 5,741	\$ 1,722	\$ 4,018	\$ -	\$ -

FINANCIAL RESULTS OF PURCHASED SERVICES AGENCIES

(In Thousands)

	Passenger Revenue	Contract Expense	Operating Deficit	Service Board Funding	Other Public Funding
Private Contract Carriers - Dial-a-Ride Services					
Bloomington Township	\$ 23	\$ 277	\$ (254)	\$ 172	\$ 82
Call Centers	-	762	(762)	763	-
Call in Rides	113	1,708	(1,595)	1,595	-
Central Lake	6	36	(30)	22	9
Central Will	56	667	(611)	442	170
Community Service Transit	112	61	51	(52)	-
Downers Grove	14	105	(91)	63	28
Dupage County	2	15	(13)	13	-
Dupage Township	6	123	(117)	85	33
Elk Grove	11	338	(327)	35	291
Leyden Township	7	109	(102)	11	91
McHenry County	19	345	(326)	(11)	338
Milton Township	64	277	(213)	202	11
Naperville/Lisle	249	1,153	(904)	237	666
Northeast Lake	16	311	(295)	269	27
Northeast Lake-Zion	4	60	(56)	45	11
Northwest Kane-Hampshire	1	18	(17)	13	4
Northwest Lake	19	120	(101)	101	-
Northwest Lake Demo	37	254	(217)	27	189
North Suburban Cook-Non-ADA	2	55	(53)	35	17
North Suburban Cook-Trip	28	183	(155)	154	-
Pioneer Center	2	270	(268)	268	-
Ride DuPage	227	1,650	(1,423)	360	1,062
Ride In Kane	344	2,852	(2,508)	496	2,012
Ride In Lake	15	120	(105)	(9)	114
Ride In McHenry	219	2,083	(1,864)	828	1,036
Shields Township	6	44	(38)	25	13
South Cook	-	72	(72)	72	-
Southwest Lake-Wauconda	-	6	(6)	6	-
Southwest Will	2	26	(24)	19	5
TriState Park Shuttle	-	3	(3)	3	-
Wayne Township	4	54	(50)	34	16
West Cook	-	120	(120)	5	114
Will County	41	403	(362)	(56)	419
Total	\$ 1,649	\$ 14,680	\$ (13,031)	\$ 6,272	\$ 6,758

FINANCIAL RESULTS OF PURCHASED SERVICES AGENCIES

Pace

Detail of Services, continued

(In Thousands)

	Passenger Revenue	Contract Expense	Net Contract Cost	Service Board Funding	Other Public Funding
<u>Private Contract Carriers - Dial-a-Ride and Stable Services (ADA Services)</u>					
South Cook	\$ 905	\$ 9,520	\$ (8,615)	\$ 8,615	\$ -
North Suburban Cook	952	7,145	(6193)	6,193	-
West Cook (Surburban)	342	3,537	(3195)	3,195	-
North Lake	173	1,331	(1158)	1,158	-
Kane County	75	808	(733)	732	-
Southwest/Central Will	66	772	(706)	707	-
DuPage County	217	2,368	(2151)	2,151	-
Chicago ADA	9,191	127,692	(118501)	118,501	-
Total	\$ 11,921	\$ 153,173	\$ (141,252)	\$ 141,252	\$ -

	Operating Revenues	Operating Expenses	Operating Deficit	Service Board Funding	Other Public Funding
<u>Paratransit - Municipal Carriers</u>					
Bensenville	\$ 15	\$ 263	\$ 248	\$ 21	\$ 227
Bloom	22	362	340	48	292
Crestwood	4	95	91	12	79
Forest Park	26	109	82	62	21
Lemont	5	63	58	14	43
Lyons	15	282	268	38	230
Norridge	8	92	84	19	66
Orland Park	15	254	239	22	216
Palatine	20	157	137	24	113
Palos Hills	6	64	58	12	46
Park Forest	16	96	80	34	46
Rich Township	25	366	340	38	302
Schaumburg	74	1,294	1,220	190	1,030
Stickney	18	333	315	46	269
Tinley Park	8	75	68	17	50
Vernon Township	4	146	142	98	133
Worth	7	245	238	19	219
Total	\$ 288	\$ 4,296	\$ 4,008	\$ 714	\$ 3,382



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RTAChicago.org

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Chicago Transit Authority
567 W. Lake St.
Chicago, IL 60661
888-968-7282
www.transitchicago.com



Metra
547 W. Jackson Blvd.
Chicago, IL 60661
312-322-6777
www.metro-rail.com



Pace
550 W. Algonquin Rd.
Arlington Heights, IL 60005
847-364-7223
www.pacebus.com

To: Audit Committee

From: Leanne P. Redden, Executive Director

Date: June 13, 2019

Re: ORDINANCE APPROVING AND RELEASING THE RTA 2018 COMPREHENSIVE
ANNUAL FINANCIAL REPORT (CAFR)



**Regional
Transportation
Authority**

175 W. Jackson Blvd,
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Chicago, IL 60604
312-913-3200
rtachicago.org

Action Requested

The Audit Committee is being asked to recommend Board adoption of the attached ordinance, which approves and releases the RTA 2018 Comprehensive Annual Financial Report.

Background

Section 4.05 of the RTA Act requires that the RTA, as well as the Service Boards, annually prepare financial statements audited by an independent certified public accountant. The RTA Comprehensive Annual Financial Report is prepared annually by the statutory deadline of six months after the end of each fiscal year (June 30).

Comments

Attached is a final draft copy of this report for your review and approval. RSM US LLP has performed the audit of the 2018 financial transactions summarized in the report.

Prepared by: Department of Finance, Innovation and Technology
LPR/BH/jy
Attachment.

ORDINANCE NO.

WHEREAS, Section 4.05 of the Regional Transportation Authority (the "Authority") Act requires that the Authority annually prepare a report "consolidating the audits of the Service Boards and reviewing the State of the Authority, the Service Boards, and of the public transportation provided by the various Service Boards and transportation agencies... ."

WHEREAS, the Act further requires that, "the report shall include evaluations of public transportation in the metropolitan region and of the Authority's activities, and financial statements of the Authority's and the Service Boards' revenues and expenditures for such year and of their assets and liabilities, which financial statements shall have been audited by an independent certified public accountant."

WHEREAS, in order to comply with the Act, the Comprehensive Annual Financial Report ("CAFR") is prepared annually; and

WHEREAS, RSM US LLP, independent Certified Public Accountants, has performed the audit of the 2018 financial transactions as summarized in the CAFR.

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

1. The Authority hereby approves the attached copy of the Authority's 2018 CAFR, as prepared by the staff of the Authority, for the year ended December 31, 2018. The Authority accepts the report of RSM US LLP, wherein they express the unqualified opinion that the combined financial statements contained in the CAFR present fairly the financial position of the Authority and the results of operations are in conformity with accounting principles generally accepted in the United States of America.
2. The Executive Director of the Authority is hereby authorized and directed to transmit the CAFR to the trustee designated for debt obligations of the Authority and to any holders of Authority obligations, or any other interested person upon request.

REGIONAL
TRANSPORTATION
AUTHORITY

NORTHEASTERN
ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended
December 31, 2018



**REGIONAL TRANSPORTATION AUTHORITY
NORTHEASTERN ILLINOIS**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

Prepared by:

Department of Finance, Innovation and Technology

**Bea Reyna-Hickey
Chief Financial Officer and
Senior Deputy Executive Director**

and

Controller Division

**REGIONAL TRANSPORTATION AUTHORITY
2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**REGIONAL TRANSPORTATION AUTHORITY
2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**Regional
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Authority**

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REPORT DATE

To the Board of Directors
Regional Transportation Authority
Chicago, Illinois

I have the pleasure to submit to you the Comprehensive Annual Financial Report ("CAFR") of the Regional Transportation Authority ("RTA") for the year ended December 31, 2018. The RTA staff has prepared this report as required by, and in accordance with, the RTA Act. This state law requires that the RTA publish financial statements presented in conformity with generally accepted accounting principles and audited by an independent certified public accountant.

This report consists of RTA management's representations concerning its finances. The responsibility for the accuracy, completeness, and fairness of the data rests with management. To the best of our knowledge and belief, this report contains data complete and reliable in all material respects. To provide a reasonable basis for making these representations, management of the RTA has established an internal control structure designed to provide reasonable assurance that assets are safeguarded from loss, theft, or misuse, and that adequate and reliable accounting data is compiled to prepare financial statements in conformity with accounting principles generally accepted in the United States of America. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits of that control, and that the valuation of costs and benefits requires estimates and judgments by management.

In addition to the statutory requirement of the RTA Act for an annual audit by independent certified public accountants, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), require the RTA to undergo an annual Single Audit. The RTA has engaged the firm of RSM US LLP to meet these requirements. The firm followed auditing standards generally accepted in the United States of America and the standards set forth in the above circular in conducting the engagement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the RTA's financial statements for the year ended December 31, 2018, are presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first part of the financial section of this report.

A separately issued single audit report contains a schedule of expenditures of federal awards, the independent auditor's report on internal controls and compliance with applicable laws, regulations, contracts and grants, a schedule of findings and questioned costs, and other information related to the single audit.



Accounting principles generally accepted in the United States of America require that management provide a discussion and analysis to accompany the financial statements. This letter of transmittal complements management's discussion and analysis, and should be read in conjunction with it. The RTA management's discussion and analysis ("MD&A") can be found immediately following the report of the independent auditors.

OVERVIEW OF THE REGIONAL TRANSPORTATION AUTHORITY

Illinois State law (the RTA Act, as amended) created the RTA as a fiscal and policy oversight agency committed to providing an efficient and effective public transportation system for Northeastern Illinois.

"It is the purpose of [the RTA] Act to provide for, aid and assist public transportation in the northeastern area of the State without impairing the overall quality of existing public transportation by providing for the creation of a single authority responsive to the people and elected officials of the area and with the power and the competence to provide financial review of the providers of public transportation in the metropolitan region and facilitate public transportation provided by Service Boards which is attractive and economical to users, comprehensive, coordinated among its various elements, economical, safe, efficient and coordinated with area and State plans."

History

In 1974, upon approval of a referendum in the six counties of metropolitan Chicago (Cook, DuPage, Kane, Lake, McHenry, and Will), the Act created the RTA as a unit of local government, body politic, political subdivision, and municipal corporation. Initially, the RTA provided financial assistance to the then existing public transportation operators. Subsequently, the role of the RTA expanded to include the acquisition and operation of such public transportation providers, as well as contract with operators to provide service through the purchase of service agreements.

In 1983, the Illinois General Assembly reorganized the structure and funding of the RTA. The Act placed operating responsibilities with the Chicago Transit Authority ("CTA") and two operating divisions of the RTA: the Commuter Rail Division ("Metra") and the Suburban Bus Division ("Pace"). These three entities are defined in the Act as the "Service Boards."

The CTA provides bus and rail transportation services within Chicago and 35 surrounding suburbs. Illinois State law (the Metropolitan Transportation Authority Act) created the CTA in 1945. The law established the CTA as an Illinois municipal corporation "separate and apart from all other government agencies" to consolidate Chicago's public and private transportation carriers. The CTA commenced operations in 1947 and completed the consolidation of public transportation in 1952 upon purchasing the Chicago Motor Coach System.

The Northeast Illinois Regional Commuter Railroad Corporation ("NIRCRC"), a public corporation created in 1980 and operating under the service name of Metra following the 1983 reorganization, provides public transportation by commuter rail. The 1983 RTA restructuring formed a Commuter Rail Division, "responsible for providing public transportation by commuter rail." The Commuter Rail Division continued the operation of NIRCRC to provide this transportation. Metra contracts with the Union Pacific Railroad, Burlington Northern Santa Fe, and Northern Indiana Commuter Transportation District to provide service through the purchase of service agreements. In addition, Metra operates the services provided on its North Central Service Heritage Corridor and South West Service rail lines, as well as the services formerly provided by the Rock Island, Milwaukee Road, and Illinois Central Gulf.

The 1983 RTA restructuring also formed a Suburban Bus Division "responsible for providing public transportation by bus and as may be provided in [the RTA] Act." As such, the Division - operating under the service name Pace - provides non-rail public transportation throughout DuPage, Kane, Lake, McHenry, and Will counties, as well as the suburban area of Cook County.

Collectively, we refer to the RTA, the CTA, Metra, and Pace as the “RTA System.”

Mission

The Act sets forth the responsibilities of the RTA. These responsibilities encompass planning, funding, and oversight duties. The Board of Directors has developed the following goals to carry out the RTA legislative mandates:

Plan—Ensure an integrated regional public transportation system through comprehensive planning and coordination with the service providers.

Fund—Develop and allocate resources among the Service Boards to ensure they provide quality and cost-effective service.

Oversee—Monitor and evaluate Service Boards’ performance to ensure that service is provided efficiently and effectively.

The Act requires, as one of the primary responsibilities of the RTA, the adoption of an annual budget, two-year financial plan, and a five-year capital program. This obligation incorporates planning, funding, and oversight duties. The Act enumerates a number of requirements with respect to the budget, plan, and program. These include a requirement that the budget and plan reflect operating revenues of at least 50% of operating costs (a farebox recovery ratio of at least 50%). In addition, the budget and plan must show a balance between revenues, including subsidies, and costs (a balanced budget).

Other responsibilities include establishing policies regarding the allocation of public transportation funding in the Chicago metropolitan region, developing system-wide plans and service standards, coordinating services among different modes of transportation, and ensuring compliance with Federal and State mandates.

Budget

The Act establishes budgetary controls. The Act requires, as one of the primary responsibilities of the RTA, the adoption of an annual budget, two-year financial plan, and a five-year capital program.

“Each year the Authority shall prepare and publish a comprehensive annual budget and program document describing the state of the Authority and presenting for the forthcoming fiscal year the Authority’s plans for such operations and capital expenditures as the Authority intends to undertake and the means by which it intends to finance them.”

The Act establishes certain criteria for the budget, including subsequent monitoring for compliance. Further, the five-year capital program must specify each capital improvement undertaken by or on behalf of the Service Boards. The budget calendar, as adopted by the RTA Budget Call and statutory requirements govern the budget development process leading up to adoption of the budget. Subsequent activities involve oversight and amendment of the budget.

Budget Calendar

Based upon the estimate of tax receipts and revenues from other sources, “the Board shall, not later than September 15 prior to the beginning of the Authority’s next fiscal year” advise each Service Board of the amounts estimated to be available during the upcoming fiscal year and the next two following years, the times when the amounts will be available, and the cost recovery ratio for the next year. The recovery ratio for the region must meet a minimum standard of 50%.

Between September 15 and November 15, each Service Board must prepare and publish a comprehensive annual budget, program document, and a financial plan for the two following years. "The proposed budget and financial plan shall be based on the RTA's estimate of funds that will be available to the Service Boards by or through the Authority, and shall conform in all respects to the requirements established by the Authority." Before submitting its budget to the RTA, each Service Board must hold at least one public hearing in each of the counties in which it provides service, and at least one meeting with each respective county board. After considering the comments from these meetings, it must formally adopt the budget prior to submitting it to the RTA. "Not later than... November 15 prior to the commencement of such fiscal year, each Service Board shall submit to the Authority its proposed budget for the fiscal year and its proposed financial plan for the two following years."

The RTA must also hold at least one public hearing in the metropolitan region and one meeting with each county board on its own proposed budget. After conducting these hearings and taking into consideration the comments, the RTA must adopt its budget and the budgets submitted by the Service Boards, each of which meets the statutory criteria summarized below. Unless the RTA passes a budget and financial plan for a Service Board, "the Board shall not release to that Service Board any funds for the periods covered by such budget and financial plan," except for the sales tax directly allocated to the Service Board by statute.

Statutory Requirements

The RTA Act sets forth seven statutory criteria for Board approval of the budget and financial plan of each Service Board. These seven criteria are:

- **Balanced Budget:** A balance between anticipated revenues from all sources, including operating subsidies and the costs of providing the services and of funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness;
- **Cash-Flow:** Cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenditures as incurred;
- **Recovery Ratio:** A level of fares or charges, and operating or administrative costs, to allow the Service Board to meet its required recovery ratio;
- **Assumptions:** Employ assumptions and projections which are reasonable and prudent;
- **Financial Practices:** Prepared in accordance with sound financial practices as determined by the Board;
- **Strategic Plan:** Maintain consistency with the goals and objectives adopted by the RTA in the Strategic Plan; and
- **Other Requirements:** Other financial, budgetary, or fiscal requirements that the Board may establish by rule or regulation.

Oversight

After adoption of the budgets, the RTA has continuing oversight powers concerning the budget and the financial condition of each Service Board and the region as a whole. On a monthly basis, the RTA monitors the budgetary and operations performance of the Service Boards to ensure compliance with their budget and recovery ratios. On a quarterly basis, the RTA makes the following assessments:

- After the end of each fiscal quarter, each Service Board must report to the RTA “its financial condition and results of operations and the financial condition and results of operations of the public transportation services subject to its jurisdiction” for such quarter. If in compliance, the Board so states and approves each Service Board's compliance by adopted resolution.
- If in the judgment of the Board these results are not substantially in accordance with the Service Board's budget for such period as adopted by the RTA, the Board shall so advise the Service Board and the Service Board “shall, within the period specified by the Board, submit a revised budget incorporating such results.”
- Once a Service Board submits a revised budget, the RTA must determine if it meets the seven statutory budget criteria necessary to pass an annual budget. If not, the RTA must withhold from the Service Board (i) 25% of the cash proceeds of taxes imposed by the RTA and (ii) 25% of any state matching funds that are allocated to each Service Board.
- If a Service Board then submits a revised budget and plan which shows that the statutory budget criteria will be met within a four quarter period, the RTA “shall release any such withheld funds to the Service Board.”

Amendment

When prudent, the RTA Board may revise estimates of amounts of funds available to the Service Boards during a fiscal year due to shifts in the economic climate, governmental funding programs, or new projects. Upon receiving notice of such a revision, the Service Boards must submit amended budgets to the RTA Board within 30 days. The RTA Board must approve all proposed amendments. If approved, the RTA then monitors actual results compared to the amended budget.

Reporting Entity

As defined by Governmental Accounting Standards Board (“GASB”) Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and 34*, the financial reporting entity consists of the primary government (the RTA, as legally defined), as well as its component units—legally separate entities for which the primary government has financial accountability.

Although part of the RTA System, the CTA, Metra, and Pace do not represent component units of the RTA under GASB Statement No. 14, *The Financial Reporting Entity*. Accordingly, the Comprehensive Annual Financial Report of the Regional Transportation Authority does not include the financial statements of the Service Boards. However, a Combining Annual Financial Report does combine the financial statements of the RTA, the CTA, Metra, and Pace as required by the RTA Act.

RTA System Characteristics

The six-county area served by the RTA system covers 3,749 square miles. According to the Census Bureau, the population of the six-county region was 8.3 million in 2018. The U.S. Department of Commerce-Bureau of Economic Analysis reported employment for the broader Chicago Metropolitan Statistical Area (MSA) of 4.75 million during the same year. The RTA system carried 578.8 million riders in 2018, a decrease of 2.5% from the prior year.

Governance

The RTA Act specifies the composition of the RTA Board of Directors. The RTA Board consists of fifteen appointed members and a Chairman. The Mayor of the City of Chicago appoints five directors. The suburban members of the Cook County Board appoint four directors and one director is appointed by the President of the Cook County Board. The chairman or executive of the County Boards of DuPage, Kane, Lake, McHenry and Will counties, each appoint a director. These fifteen directors, with a minimum concurrence of eleven directors, elect the Chairman of the RTA Board of Directors from outside their numbers.

The RTA employed a staff of 103 professionals as of December 2018. The RTA Act limits the amount of administrative costs that the RTA may incur annually. The limit was set at \$5 million for 1985 and increases at a rate of 5% per year. The RTA has always held its administrative expenses under the prescribed limit.

The Chicago Transit Board, consisting of seven members, governs the CTA. Its members are appointed pursuant to the Metropolitan Transit Authority Act. The Governor of Illinois appoints three members, subject to the approval of the Illinois Senate and the Mayor of the City of Chicago. The Mayor of the City of Chicago, with the consent of the Chicago City Council and the Governor of Illinois, appoints four members, including the CTA Chairman.

The RTA Act specifies the composition of the Metra (Commuter Rail Division) and Pace (Suburban Bus Division) Boards. The Commuter Rail Board, consisting of eleven members, governs Metra. The suburban members of the Cook County Board appoint four members. The Chairman or executive of the County Boards of Cook, DuPage, Kane, Lake, McHenry and Will counties each appoint one director. The Mayor of the City of Chicago, with the consent of the Chicago City Council, appoints one member. These eleven directors, with a minimum concurrence of eight directors, elect the Chairman of the Commuter Rail Board from among their members.

The Suburban Bus Board, consisting of thirteen members, governs Pace. The suburban members of the Cook County Board appoint six members. The Chairman or executive of the County Boards of DuPage, Kane, Lake, McHenry, and Will counties each appoint one director. The RTA Act requires that each of these directors must be a current or former "chief executive officer of a municipality" from the area that appoints the member. One director is the Commissioner of the Mayor's Office for People with Disabilities for the City of Chicago. The Chairman or executive of each of the County Boards of DuPage, Kane, Lake, McHenry, and Will, plus the suburban members of the Cook County Board, by simple majority, appoint the Chairman of the Suburban Bus Board from outside their numbers.

Financing

The RTA Act specifies the funding responsibilities of the RTA, appointing the RTA as the primary public body in the metropolitan region to secure funds for public transportation.

Sections 4.03 and 4.03.1 of the Regional Transportation Act, 70 ILCS 3615, authorize the RTA to impose a series of taxes within the six-county metropolitan region by a vote of twelve of its directors: a sales tax, a car rental tax, a motor fuel tax, an off-street parking tax, and a replacement vehicle tax.

Sales Taxes

The Act authorizes the RTA to impose a retailers' occupation tax "ROT," a service occupation tax "SOT," and a use tax "UT." The RTA imposed this tax at the maximum permissible rate in 1979. The 2008 legislation increased the sales tax by .25% in Cook County and .50% in the collar counties. The individual collar counties keep .25% of the increase. All of the RTA sales taxes are collected by the Illinois Department of Revenue under procedures that are largely identical to the corresponding state sales taxes.

The ROT is imposed on the gross receipts from the sale of tangible personal property at a rate of 1% in Cook County and .75% in the collar counties. The RTA tax base is identical to the State retailers' occupation tax "State ROT" base, except that unlike the State ROT, the RTA ROT also applies to the sale of food and drugs. Consequently, when the state base is expanded or contracted by taxing or exempting the sale of tangible personal property, e.g., the sale of computer software or rolling stock, the RTA tax base likewise expands or contracts. However, when the legislature exempted the sale of food and drugs from the state tax, the exemption was not extended to the RTA. Unlike the tax on tangible personal property, the RTA tax on food and drugs is imposed at a rate of 1.25% in Cook, but remains .75% in the collar counties.

The SOT is imposed on the gross receipts from the sale of tangible personal property as an incident to the sale of a service. The tax rate and tax base are identical to the ROT.

The UT is imposed on persons living in the six county area for the privilege of using a vehicle purchased outside the six county area that must be registered with the State. Unlike the state use tax, the RTA UT is limited to registered property, largely automobiles. The tax is imposed on the selling price of the property at the same rates as the ROT.

Car Rental Tax

Section 4.03.1 of the Act authorizes the RTA to impose an automobile rental occupation and use tax. This occupation tax, paralleling the state and local car rental taxes, may be imposed at a rate of 1% in Cook County and 0.25% in the collar counties of the gross receipts from car rentals. The use tax may be imposed at the same rates on the privilege of using in the region a car rented outside, but titled in, Illinois. Any car leasing tax would be collected by the Illinois Department of Revenue.

This taxing power was added to the RTA Act in 1982, when the legislature imposed a state-wide car rental tax and authorized cities, counties, and certain special districts that had the power to impose sales taxes to tax the car rental occupation. This taxing power has never been exercised by the RTA.

Motor Fuel Tax

The Act authorized the RTA to impose a tax on retail sales and use of motor fuel at a rate of 5% of gross receipts. Section 4.03 (p) of the Act prohibits the RTA from imposing the motor fuel tax if it has imposed the broader sales taxes described above.

Off-Street Parking Tax

The Act authorizes the RTA to impose a tax on the privilege of parking a motor vehicle in a public or private fee-charging lot in the six-county area. The RTA has never imposed this tax as it is prohibited by statute to be enacted simultaneously with the RTA sales tax.

Replacement Vehicle Tax

The Act authorizes the RTA to impose a \$50 tax on any passenger car purchased within the metropolitan area by an insurance company in settlement of a total loss claim of its insured. Any such tax would be collected by the State. This taxing power has never been exercised by the RTA.

Sales Tax Collections

As indicated above, the RTA imposes a sales tax in the six-county Northeastern Illinois region. The Illinois Department of Revenue collects this tax and remits the collections to the Illinois State Treasurer. The Treasurer holds the funds in trust for the RTA outside the State Treasury. As dictated by statute, the Treasurer disburses the funds monthly to the RTA, upon order of the State Comptroller. Effective July 1, 2017, the State imposed a 2% administrative surcharge on RTA sales tax receipts, reducing the amount of sales tax provided to the RTA and Service Boards. Effective April 1, 2018, the surcharge was reduced to 1.5% of sales tax receipts, or approximately \$20 million per year.

The amounts of funding and taxes received, together with revenues from the provision of transit services by the Service Boards and other operating revenues, provide the resources to cover operating costs of the RTA System.

FACTORS AFFECTING ECONOMIC CONDITION

Financing

The RTA's primary source of operating funding is a regional (occupation and use) sales tax and a sales tax match from the State of Illinois. Illinois Public Act 95-0708 increased the RTA sales tax rate throughout the region (from the equivalent of 1.0% in Cook County and 0.25% in the remainder of the region to the equivalent of 1.25% in Cook County and 0.5% in the remainder of the region) beginning on April 1, 2008, increased the real estate transfer tax in the City of Chicago to fund the CTA, and increased the portion of RTA tax revenues matched by the State Public Transportation Fund ("PTF") from 25% to 30%. Effective July 1, 2017, the State instituted a temporary 10% reduction in PTF for State fiscal year 2018, reducing the amount of PTF funding provided to the RTA and Service Boards by approximately \$40 million. The reduction in PTF funding was eased to 5%, or approximately \$20 million per year, for State fiscal year 2019. In 2018, actual RTA sales tax receipts of \$1.232 billion were 3.9% higher than prior year, but lagged the 2018 budget by 0.3%.

The RTA's 2019 operating budget approved by the Board of Directors on December 13, 2018 assumes sales tax revenues of \$1.270 billion, an increase of 3.9% over the 2018 results as estimated at the time of the 2019 budget adoption, and 3.1% over 2018 actual receipts. In addition to the 30% sales tax and real estate transfer tax match from the PTF, the 2019 budget anticipates these funds from the State of Illinois: \$130.3 million to reimburse the debt service expenses for the RTA's Strategic Capital Improvement Program ("SCIP") bonds. \$34.1 million as partial reimbursement to the Service Boards for mandated reduced fare and free ride programs for student, elderly, and disabled riders, and \$8.4 million of funding for ADA Paratransit service.

Regional and Illinois Economy

The Chicago region comprises one of the most diversified economies in the United States. The region is home to more than 400 major corporate headquarters, including thirty-six Fortune 500 companies. A global leader in options, futures, and derivatives trading, the Chicago area economy's strengths include business and financial services, manufacturing, information technology, health services, and transportation and distribution. Chicago is not only a leader in sustainable business but also ranks as one of the most sustainable cities in the country. The unemployment rate in the Chicago region increased from 4.7% in

2006 to a high of 11.4% in the aftermath of the 2009 recession. The regional unemployment rate improved steadily from 2011 through 2018, and stood at 3.7% in the first quarter of 2019.

The February 2019 Monthly Revenue Briefing issued by the State Commission on Government Forecasting and Accountability noted that during the first nine months of the State's 2019 fiscal year, state-wide sales tax receipts of \$6.6 billion increased \$438 million or 7.1% compared to the same period of the previous fiscal year.

National Economy

Annual growth of real gross domestic product ("GDP"), the output of goods and services produced in the United States, declined from 5.8% in 2006 to -2.8% in 2009. GDP growth then accelerated, growing by nearly 4% in 2010, 2011, 2012, and 2013. Steady growth continued in 2014 through 2017, and preliminary GDP growth of 2.9% was recorded for 2018. The Congressional Budget Office ("CBO") predicts annual real GDP growth of 2.7% in 2019.

The consumer price index ("CPI"), a measure of the pace of inflation, declined by 0.4% in 2009, at the height of the financial crisis. CPI bounced back in 2010, increasing by 1.6%, and then by 3.2% and 2.1% in 2011 and 2012, respectively. CPI then stabilized, growing by 1.5% in 2013, 0.8% in 2014, and 0.7% in 2015. CPI growth was 1.5% in 2016, 2.1% in 2017, and is projected at 2.5% in 2018, according to the CBO.

The national unemployment rate rose from 4.6% in 2006 to 9.9% in 2009, the highest average annual rate since 1983. As the economy recovered, national unemployment declined each year, reaching 3.9% in 2018. The CBO forecasts the national unemployment rate to further improve to 3.5% in 2019.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the RTA for its Comprehensive Annual Financial Report ("CAFR") for the year ended December 31, 2017. This was the twenty-fourth consecutive year that the RTA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the RTA received the GFOA Award for Distinguished Budget Presentation for its annual budget for the year ending December 31, 2018. This marks the twenty-second consecutive year that the RTA has achieved this accomplishment. The Distinguished Budget Presentation Award requires that the GFOA judge the budget document as proficient in several categories, including policy documentation, financial planning, and organization.

I would like to express my appreciation to the RTA staff for their efforts in preparing this report.

Bea Reyna-Hickey

Chief Financial Officer and
Senior Deputy Executive Director,
Finance, Innovation and Technology



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Regional Transportation Authority
Illinois**

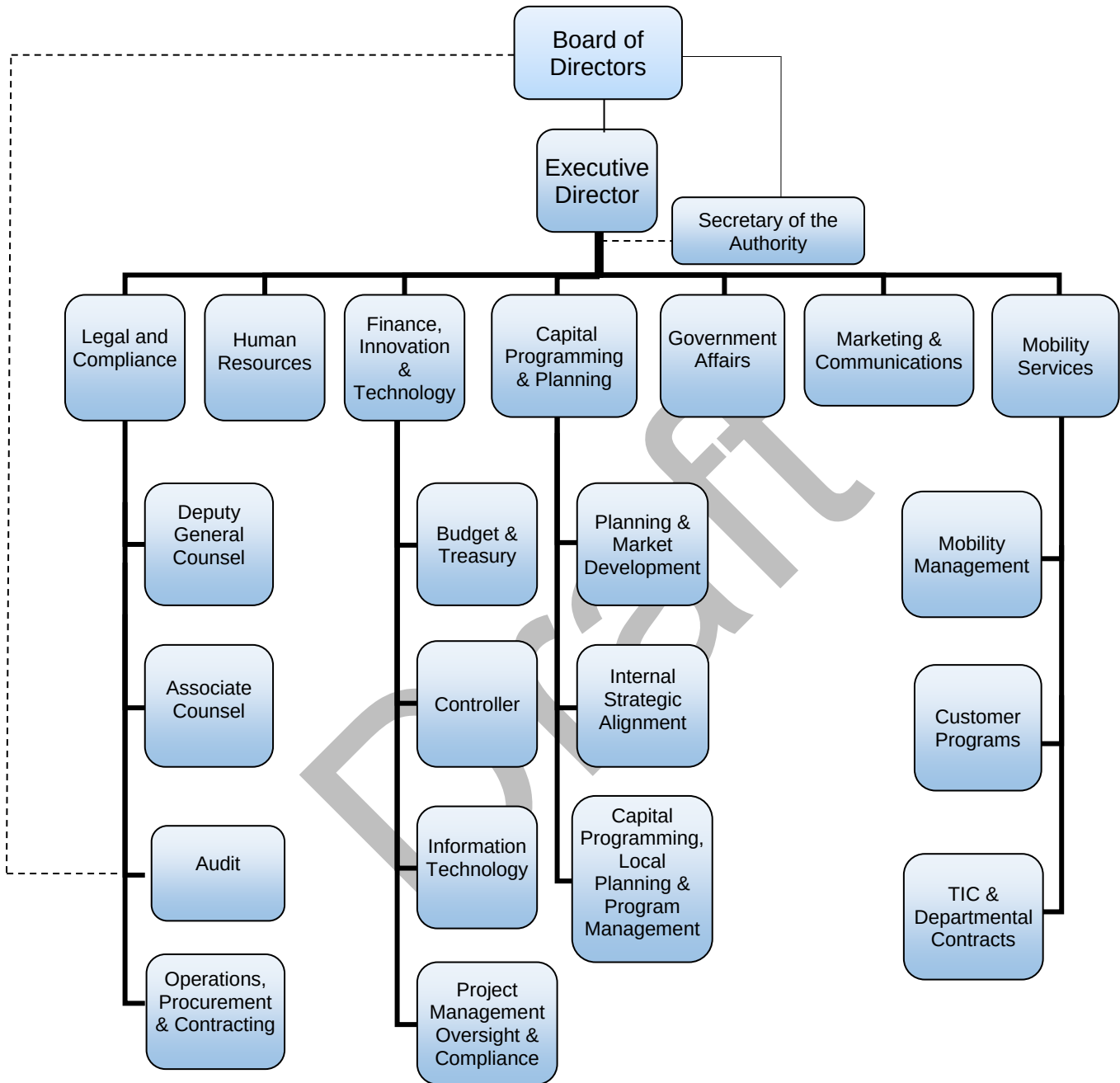
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO

**REGIONAL TRANSPORTATION AUTHORITY
ORGANIZATION CHART
December 31, 2018**



REGIONAL TRANSPORTATION AUTHORITY**LIST OF PRINCIPAL OFFICIALS
as of DECEMBER 31, 2018**

Board of Directors

Chairman

Kirk W. Dillard

Directors

William R. Coulson
Patrick J. Durante
John V. Frega
Phil Fuentes
Christopher Groven
Ryan S. Higgins
Alexandra Holt
Thomas Kotel
Michael W. Lewis
Dwight A. Magalis
Christopher C. Melvin, Jr.
Sarah Pang
J.D. Ross
Dr. Brian Sager
Douglas M. Troiani

Administration

Executive Director

Leanne P. Redden

Senior Deputy Executive Director
Finance, Innovation and Technology, CFO

Bea Reyna-Hickey

General Counsel

Nadine Lacombe

Director, Government Affairs and Counsel

Jeremy LaMarche

Deputy Executive Director
Capital Programming, Planning and Performance/COS

Jill Leary

Director, Human Resources

Julia Patterson

Director, Marketing and Communications

Susan Massel

Director, Mobility Services

Michael VanDekreke

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

Board of Directors
Regional Transportation Authority
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Regional Transportation Authority ("RTA"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise RTA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of RTA, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 15 - 21), pension related information, budgetary comparison information and other postemployment benefits information (pages 72 - 77) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise RTA's basic financial statements. The introductory section, combining and individual fund schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Chicago, Illinois

REPORT DATE

REGIONAL TRANSPORTATION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") provides an overview of the financial activity affecting the operation of the Regional Transportation Authority ("RTA") for the fiscal year ended December 31, 2018. Please read it in conjunction with the RTA's basic financial statements which follow this section.

Financial Highlights

- For the year ended December 31, 2018, the RTA statement of activities for the governmental activities shows expenses decreased by \$48 million to \$586 million from \$634 million for the same period in 2017. This decrease is due to a decrease in capital grants to the CTA, Metra, and Pace ("Service Boards") by \$52 million offset by an increase in operating grants by \$5 million.
- The government-wide statement of net position shows assets of \$1.0 billion for the governmental activities, a net increase of \$73 million. This is mainly due to an increase in cash and investments of \$126 million. In the government-wide statement of net position, bond-related liabilities decreased by \$79 million, which reflects the decrease in general-obligation bonds payable in 2018.
- At the end of 2018, the government-wide statement of net position shows a deficit of \$1.4 billion for governmental activities. In contrast, the governmental funds balance sheet presented a total fund balance of \$639 million. There is a \$2.0 billion difference between the fund balance and the net deficit. GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, requires RTA's general obligation bonds to be presented in the government-wide statement of net position. The RTA has the obligation to pay the bonds it has issued to fund the Service Boards' capital expenditures. These expenditures and the related assets appear in the Service Boards' financial statements. The sales taxes imposed by the RTA in the region represent the primary source of payment for the bond obligations.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Overview of the CAFR—The RTA CAFR consists of three parts:

1. **Introductory Section**—This section includes the letter of transmittal, the GFOA Certificate of Achievement, the organizational chart, and the list of principal officials.
2. **Financial Section**—This section is comprised of the independent auditor's report, the management's discussion and analysis, the basic financial statements, and the required supplementary information and combining and individual fund schedules.
3. **Statistical Section (Unaudited)**—This section provides additional analysis and is not a required part of the basic financial statements of the RTA.

The basic financial statements contain three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. A discussion of the basic financial statements is included in this CAFR as follows:

Government-wide Financial Statements—The government-wide financial statements provide a broad overview of the RTA's finances in a manner similar to those of a private-sector business. The statements are prepared following the full accrual basis of accounting.

- **Statement of Net Position**—The statement of net position presents information on all of the RTA's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The statement subtracts liabilities and deferred inflows from assets and deferred outflows to compute—in the case of the RTA—a net deficit. This net deficit reflects the recording of bonds issued by the RTA for capital grants to the Service Boards to acquire and construct assets used to provide public transportation. These assets appear in the financial statements of the Service Boards. The bonds represent general obligations of the RTA to which the RTA has pledged its full faith and credit.

The size of the net deficit will increase as the RTA continues to issue bonds to fund the RTA System's capital program.

- **Statement of Activities**—The statement of activities shows the change in net position of the governmental and business-type activities. Governmental activities include operating and capital asset funding (capital grants) to the Service Boards, RTA administrative expenses, the RTA Travel Information Center, certification of riders for paratransit service under the Americans with Disabilities Act (regional expenses), and interest expense on bonds issued by the RTA. Business-type activities consist of the RTA Joint Self-Insurance Fund.

The government-wide financial statements include only the RTA (the "primary government"). There are no "component units" (separate legal entities for which the RTA is financially accountable) that the RTA government-wide financial statements are required to include.

The RTA does not consider the CTA, Metra, or Pace to be component units, therefore, the RTA government-wide financial statements do not incorporate the financial data of the Service Boards. (See Letter of Transmittal and Note 1 to the financial statements for further details.)

Fund Financial Statements—A fund refers to a set of related self-balancing accounts used to maintain control over resources segregated for specific activities or objectives. The RTA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The RTA's funds are accounted for in three fund types: governmental funds, proprietary funds, and fiduciary funds. These financial statements are prepared following the modified accrual basis of accounting.

- **Governmental Funds**—Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year.

Unlike the information presented for governmental funds, information presented for governmental activities in the government-wide financial statements includes the long-term impact of near-term financing decisions. The governmental funds financial statements provide reconciliations to facilitate comparison between governmental funds and government-wide financial statements.

In the fund level basic financial statements, the RTA presents three major governmental funds: a general fund, a debt service fund, and a capital projects fund. The governmental funds financial statements present information for each major fund separately. Individual fund data for each of the RTA governmental funds is presented in this CAFR in the section labeled “Combining and Individual Fund Schedules.”

The RTA adopts an annual appropriated budget for its general fund. The Required Supplementary Information and Combining and Individual Fund Schedules include a budgetary comparison.

- **Proprietary Funds**—The RTA maintains a proprietary fund to account for the RTA Joint Self-Insurance Fund. This type of proprietary fund, referred to as an enterprise fund, reports the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. As required by Article II of the Loss Financing Plan, the RTA Joint Self-Insurance Fund issues separate annual audited financial statements.
- **Fiduciary Funds**—Fiduciary funds account for resources held for the benefit of parties outside the government activity. In the case of the RTA, the fiduciary fund accounts for the assets of the RTA defined-benefit Pension Plan and the Sales Tax Agency Fund. The government-wide financial statements do not reflect fiduciary funds as these funds are not available to support the programs and operations of the RTA. The RTA Pension Plan issues annual audited financial statements separately.

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table summarizes the Statement of Net Position:

SUMMARY OF NET POSITION
DECEMBER 31, 2018 AND 2017
(In Thousands)

	Governmental Activities			Business-type Activities			Total		
	2018	2017	Variance	2018	2017	Variance	2018	2017	Variance
Assets:									
Cash and investments	\$ 588,127	\$ 461,778	\$ 126,349	\$ 20,694	\$ 22,269	\$ (1,575)	\$ 608,821	\$ 484,047	\$ 124,774
Other assets	436,205	488,979	(52,774)	2,436	2,934	(498)	438,641	491,913	(53,272)
Noncurrent assets	2,472	2,664	(192)	-	-	-	2,472	2,664	(192)
Capital assets—net	2,700	2,786	(86)	-	-	-	2,700	2,786	(86)
Total assets	1,029,504	956,207	73,297	23,130	25,203	(2,073)	1,052,634	981,410	71,224
Deferred outflow of resources									
Pension related amounts	4,824	6,119	(1,295)	-	-	-	4,824	6,119	(1,295)
Total deferred outflow of resources	4,824	6,119	(1,295)	-	-	-	4,824	6,119	(1,295)
Liabilities:									
Current non bond-related liabilities	325,905	282,408	43,497	-	-	-	325,905	282,408	43,497
Current bond related liabilities	180,070	271,295	(91,225)	-	-	-	180,070	271,295	(91,225)
Long-term non-bond-related liabilities	26,996	30,987	(3,991)	-	-	-	26,996	30,987	(3,991)
Long-term bond-related liabilities	1,934,258	1,921,910	12,348	-	-	-	1,934,258	1,921,910	12,348
Total liabilities	2,467,229	2,506,600	(39,371)	-	-	-	2,467,229	2,506,600	(39,371)
Deferred inflow of resources									
Gain on refunding	4,791	5,073	(282)	-	-	-	4,791	5,073	(282)
OPEB related amounts	32	-	32	-	-	-	32	-	32
Pension related amounts	3,049	3,621	(572)	-	-	-	3,049	3,621	(572)
Total deferred inflow of resources	7,872	8,694	(822)	-	-	-	7,872	8,694	(822)
Net position (deficit):									
Net investment in capital assets	2,697	2,786	(89)	-	-	-	2,697	2,786	(89)
Unrestricted (deficit)	(1,443,470)	(1,555,754)	112,284	23,130	25,203	(2,073)	(1,420,340)	(1,530,551)	110,211
Total net position (deficit)	\$ (1,440,773)	\$ (1,552,968)	\$ 112,195	\$ 23,130	\$ 25,203	\$ (2,073)	\$ (1,417,643)	\$ (1,527,765)	\$ 110,122

As of December 31, 2018, cash and investments for governmental activities increased by \$126 million over the previous year. The RTA's cash balance increased from last year due to a partial catch up by the State of Illinois on unpaid RTA requisitions. As of December 31, 2018, the current bond and non-bond-related liabilities decreased by \$48 million from the previous year due to short-term cash note payments

made in 2018.

The presentation of financial statements under GASB Statement No. 34 requires the recognition in the statements of net position of \$2.1 billion in current and long-term general obligation bonds and notes payable. The issuance of these bonds was for the specific purpose of funding capital grants to acquire and construct assets used to provide public transportation within the RTA region.

The RTA net deficit at December 31, 2018 will not affect the availability of RTA to fund resources for future use. In fact, the RTA maintains its operations funding levels for 2019 as established in September 2018 during the 2019 budget process.

The following table summarizes the Statement of Activities:

SUMMARY OF ACTIVITIES
DECEMBER 31, 2018 AND 2017
(In Thousands)

	Governmental Activities			Business-type Activities			Total		
	2018	2017	Variance	2018	2017	Variance	2018	2017	Variance
Expenses:									
Financial assistance to Service Boards	\$ 218,240	\$ 216,457	\$ 1,783	\$ -	\$ -	\$ -	\$ 218,240	\$ 216,457	\$ 1,783
Capital grants to Service Boards	194,069	246,520	(52,451)	-	-	-	194,069	246,520	(52,451)
Operating grants to Service Boards	35,030	30,112	4,918	-	-	-	35,030	30,112	4,918
Administrative expenses	18,756	19,270	(514)	5,424	5,553	(129)	24,180	24,823	(643)
Regional and technology program expenses	24,602	25,340	(738)	-	-	-	24,602	25,340	(738)
Interest expense	95,740	96,706	(966)	-	-	-	95,740	96,706	(966)
Total expenses	586,437	634,405	(47,968)	5,424	5,553	129	591,861	639,958	(48,097)
Revenues:									
Sales taxes	138,238	132,193	6,045	-	-	-	138,238	132,193	6,045
PTF and state assistance	492,987	570,837	(77,850)	-	-	-	492,987	570,837	(77,850)
Operating grant - CTA/PACE	26,971	21,223	5,748	-	-	-	26,971	21,223	5,748
Regional expenses/grants revenue	7,038	8,633	(1,595)	-	-	-	7,038	8,633	(1,595)
Other intergovernmental revenues	22,784	-	22,784	-	-	-	22,784	-	22,784
Investment income and other	11,033	8,555	2,478	3,351	4,207	(856)	14,384	12,762	1,622
Total revenues	699,051	741,441	(42,390)	3,351	4,207	(856)	702,402	745,648	(43,246)
Change in net position	112,614	107,036	5,578	(2,073)	(1,346)	(727)	110,541	105,690	4,851
Net position - beginning of year	(1,552,968)	(1,660,004)	107,036	25,203	26,549	(1,346)	(1,527,765)	(1,633,455)	105,690
Impact of implementation of GASB 75	(419)	-	(419)	-	-	-	(419)	-	(419)
Net position - beginning of year, as restated	(1,553,387)	(1,660,004)	106,617	25,203	26,549	(1,346)	(1,528,184)	(1,633,455)	105,271
Net position - end of year	\$ (1,440,773)	\$ (1,552,968)	\$ 112,195	\$ 23,130	\$ 25,203	\$ (2,073)	\$ (1,417,643)	\$ (1,527,765)	\$ 110,122

In 2018, financial assistance increased by \$2 million and other capital grant to the Service Boards decreased by \$52 million from 2017, which reflects the activity in capital expenses to the Service Boards during 2018. Furthermore, the amount of bond interest expense decreased by \$1 million from \$97 million to \$96 million in 2018. The PTF and state assistance decreased by \$78 million, which reflects the decrease in activities for capital expenses to the Service Boards in 2018. The sales tax increased by \$6 million, an increase in investment income and other of \$2.5 million was mainly due to the timing of investment cash flows. The \$23 million increase in other intergovernmental revenues was a reimbursement to RTA from the service boards.

During 2018, \$3 million was paid to the Joint Self-Insurance Fund for excess liability. Insurance premiums representing the only major expense, and investment income represents the only revenue for the Business-type activities (insurance financing).

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS

As noted earlier, the RTA employs three fund types: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds—Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at the end of the year. See the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for further details.

General Fund—Assets in the General Fund primarily represent the amounts for Service Boards' operations and capital projects. Assets decreased by \$77 million from \$704 million in 2017 to \$627 million in 2018, mainly due to timing differences. The RTA's cash and investments balance decreased by \$24 million and intergovernmental receivables decreased by \$53 million due to timing of receipts on receivables.

The total fund balance of the General Fund equals \$267 million at December 31, 2018. The General Fund balance decreased by \$94 million primarily due to the timing of debt service payments and transfers to the Debt Service Fund.

The amount committed for RTA capital projects is for projects focusing on the application of advanced technology on transportation systems to improve the efficiency of such systems. The transit industry views such technology as having the potential for increasing ridership and revenues by making transit systems more attractive to customers.

These applications include the following:

- The Regional Transit Signal Priority (TSP) Implementation Program made further progress in 2018.
 - o RTA staff managed grants with Pace and CDOT to implement TSP on portions of Milwaukee Avenue and other corridors, and with the CTA and CDOT to implement TSP on Western Avenue and to design and implement TSP on the Central and Northern portions of Ashland Avenue.
 - o RTA staff provided project management for RTA's contract with URS/AECOM for systems engineering and program management services. The focus of work during 2018 and 2019 is interoperability testing and documentation of performance measures.
 - o RTA staff provided technical support while CTA and CDOT began implementation of TSP on the Western Avenue corridor. Installation of communication equipment was completed in 2018 and installation of new traffic signal controllers is expected to be completed by CTA and CDOT in 2019.
 - o Pace completed development of the Priority Request Server (PRS) and completed bench testing of all system components in 2018 and purchased equipment in preparation for TSP implementation on Milwaukee Avenue in 2019.
- The RTA Interagency Signage Program made further progress in 2018.
 - o Completed fabrication and installation of signage at Bundle 1 locations; Elgin, Harvey, Lake-Cook Road, Lisle, Mayfair-Montrose, Museum Campus, and Naperville.
 - o Prepared design plans and Information for Bid (IFB) package for Bundle 2 locations; Irving Park, Jefferson Park, Main Street-Evanston, Oak Park, Waukegan, and Wheaton.

- o Advanced design plans for Bundle 3 location: Ogilvie Transportation Center
- o Updated timetables and maps at Joliet, Davis and Van Buren.
- o Prepared part of the final bid drawings using the RTA Signage Standards for City of Chicago Department of Transportation Walk to Transit program for Chicago Union Station-Greyhound.
- o Coordinated with Metra, CTA and Amtrak and provided updated signage artwork for the Chicago Union Station signage installed in 2017.
- o Developed in-house database to track signage changes and provide automated maintenance work orders.

Debt Service Fund—The RTA has established a Debt Service Fund to receive transfers from the General Fund and investment income. Disbursements of principal and interest payments made for each of its outstanding series bonds. As of December 31, 2018, the RTA has twenty-five series of general obligation bonds/notes outstanding. Each respective bond/note agreement sets forth the debt service funding requirements. The 2018 Debt Service Fund balance increased by \$5 million in 2018 to \$150 million.

Capital Projects Fund—The RTA has established a Capital Projects Fund to account for bond proceeds, earnings on the investment of such proceeds, and the expenditure of such monies for capital assets of the Service Boards. During 2018, the Capital Projects Fund increased by \$122 million. The increase in investment for the Capital Projects Fund reflects the issuance of capital bonds for future projects during 2018.

Proprietary Fund—The RTA has established a proprietary fund to account for activities that are similar to those found in the private sector and to account for the financing of goods or services provided by a department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. The RTA has one proprietary fund which relates to the activities of the Joint Self-Insurance Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

In 2018, the actual change in revenues over expenditures of \$224 million, excluding other financing (Debt Service) use, was \$2 million higher than the budget figure of \$222 million.

In the General Fund, total revenues were over budget by \$4 million. The variance in the General Fund is mainly due to the receipt of higher investment returns and other revenues in 2018.

SERVICE BOARDS CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

The financial statements of the Service Boards reflect the capital assets discussed in this section. The statement of net position for the RTA reflects the RTA bonds issued to provide a portion of the funding for these assets. The details of the RTA bond program are discussed further in Note 9 of this report.

Service Boards Capital Assets—The RTA System provides 578.8 million unlinked passenger trips annually. This has the beneficial impact of reducing road congestion, improving the flow of goods and services, and enhancing air quality. In addition, the RTA System provides essential mobility to those persons unable to utilize other transportation. The System represents an asset with replacement cost estimated at more than \$160 billion for the entire region. To continue these public benefits, the RTA strives to maximize the amount of resources devoted to investment in its System for it to remain in good working order. The RTA Five-Year Capital Program report contains the details of this investment. The Five-Year Capital Program report is updated and adopted annually by the RTA Board, as required by the RTA Act.

Sources of funds for capital investment include federal programs, proceeds of RTA bonds, and State of Illinois programs. The level of capital funding from Federal as well as State programs has risen, reflecting the increasing recognition of the importance of public transportation. In recent years, the RTA and the Service Boards have also been able to direct funds to capital projects by successfully constraining operating costs.

RTA Capital Assets—For more detailed information on capital asset activity, please see Note 8 in the notes to the financial statements.

Long-Term Debt Activity—Under the RTA Act, the RTA has authority to issue General Obligation Bonds for the improvement and expansion of the RTA System. This authority resulted from successful RTA efforts to demonstrate to the State legislature the need for capital reinvestment. The authorization identified two types of bonds: Strategic Capital Improvement Program (“SCIP”) bonds and RTA (“Non-SCIP”) bonds.

Prior to January 1, 2000, the RTA had the authority to issue up to \$500 million in SCIP bonds and to have up to \$500 million in Non-SCIP bonds outstanding. Effective January 1, 2000, the RTA Act was amended to increase the RTA authorization by an additional \$1.2 billion of SCIP bonds (limited to \$260 million per year going forward). In 2000, the RTA Act was further amended to increase Non-SCIP bonds outstanding by \$300 million to \$800 million. As of year-end 2018, the RTA has issued \$1.8 billion in SCIP bonds, with total SCIP bonds outstanding of \$1.06 billion. The remaining \$733.0 million of bonds outstanding are Non-SCIP bonds.

As of 2018, the fixed-rate bonds/note, issued by the RTA carried a rating of AA from Standard & Poor’s, Aa3 by Moody’s Investors Service, Inc. and AA by Fitch, Inc. The one variable-rate bond is rated A-1+ from Standard & Poor’s, P-1 by Moody’s Investors Service and F1+ by Fitch.

For more detailed information on debt activity, please see Note 9 in the Notes to Financial Statements.

CONTACTING THE FINANCIAL MANAGEMENT OF THE REGIONAL TRANSPORTATION AUTHORITY

This CAFR provides a general overview of the finances of the RTA. Users of the CAFR should address questions concerning the information, or requests for additional financial information, to the Regional Transportation Authority, c/o Senior Deputy Executive Director, Finance, Innovation and Technology/CFO, 175 West Jackson Blvd., Suite 1650, Chicago, Illinois 60604 or visit our website at www.rtachicago.org.

REGIONAL TRANSPORTATION AUTHORITY

STATEMENT OF NET POSITION
DECEMBER 31, 2018
(In Thousands)

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Current portion of:			
Cash and investments:			
Cash and cash equivalents	\$ 114,635	\$ 7,243	\$ 121,878
Restricted—investments	150,468	-	150,468
Unrestricted—investments	323,024	13,451	336,475
Intergovernmental receivables	435,972	-	435,972
Accrued interest on investments	194	8	202
Prepaid expenses and other assets	39	2,428	2,467
Total current assets	<u>1,024,332</u>	<u>23,130</u>	<u>1,047,462</u>
Non-current portion of:			
Prepaid insurance—bonds	2,472	-	2,472
Capital assets—net of accumulated depreciation	2,700	-	2,700
Total non-current assets	<u>5,172</u>	<u>-</u>	<u>5,172</u>
Total assets	<u>1,029,504</u>	<u>23,130</u>	<u>1,052,634</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	4,824	-	4,824
Total deferred outflows of resources	<u>4,824</u>	<u>-</u>	<u>4,824</u>
LIABILITIES:			
Current portion of:			
General obligation bonds payable	180,070	-	180,070
Unearned revenue	1,999	-	1,999
Due to fiduciary funds	40,958	-	40,958
Intergovernmental payables	229,984	-	229,984
Advances from the State	14,537	-	14,537
Accrued interest payable	29,064	-	29,064
Accrued other expenses	9,310	-	9,310
Compensated absences	372	-	372
Total current liabilities	<u>506,294</u>	<u>-</u>	<u>506,294</u>
Noncurrent portion of:			
Accrued other expenses:			
Total OPEB liability	511	-	511
Net pension liability	1,770	-	1,770
Unearned revenue	24,396	-	24,396
General obligation bonds payable plus unamortized bond premium of \$121,378	1,934,258	-	1,934,258
Total non-current liabilities	<u>1,960,935</u>	<u>-</u>	<u>1,960,935</u>
Total liabilities	<u>2,467,229</u>	<u>-</u>	<u>2,467,229</u>
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding	4,791	-	4,791
OPEB related amounts	32	-	32
Pension related amounts	3,049	-	3,049
Total deferred inflows of resources	<u>7,872</u>	<u>-</u>	<u>7,872</u>
NET POSITION (DEFICIT):			
Net investment in capital assets	2,697	-	2,697
Unrestricted (deficit)	(1,443,470)	23,130	(1,420,340)
TOTAL NET POSITION (DEFICIT)	<u>\$ (1,440,773)</u>	<u>\$ 23,130</u>	<u>\$ (1,417,643)</u>

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018
(In Thousands)

	Expenses	Program Operating Grants/ Revenues	Net Expense (Revenue) and Changes in Net Position		
			Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS:					
Governmental activities:					
Financial assistance to Service Boards	\$ 218,240	\$ -	\$ 218,240	\$ -	\$ 218,240
Capital grants to Service Boards					
Discretionary	1,238	-	1,238	-	1,238
Bonds	192,831	-	192,831	-	192,831
Operating grants to Service Boards					
CTA/PACE	35,030	26,971	8,059	-	8,059
Administrative expenses	18,756	-	18,756	-	18,756
Regional expenses	24,025	7,038	16,987	-	16,987
Technology program expenses	577	-	577	-	577
Interest expense	95,740	-	95,740	-	95,740
Total governmental activities	586,437	34,009	552,428	-	552,428
Business-type activities:					
Insurance financing	5,424	-	-	5,424	5,424
TOTAL PRIMARY GOVERNMENT	\$ 591,861	\$ 34,009	552,428	5,424	557,852
GENERAL REVENUES:					
General revenues:					
Sales taxes			137,164	-	137,164
Interest on sales taxes			1,074	-	1,074
State assistance (PTF)			215,739	-	215,739
General state revenue			147,567	-	147,567
State assistance (ASA/AFA)			129,681	-	129,681
Other intergovernmental revenues			22,784	-	22,784
Investment income			10,011	352	10,363
Other revenues			1,022	2,999	4,021
Total general revenues			665,042	3,351	668,393
CHANGES IN NET POSITION (DEFICIT)			112,614	(2,073)	110,541
NET POSITION (DEFICIT):					
Beginning of year, as restated			(1,553,387)	25,203	(1,528,184)
End of year			\$ (1,440,773)	\$ 23,130	\$ (1,417,643)

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018
(In Thousands)

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS:				
Cash and cash equivalents	\$ 114,635	\$ -	\$ -	\$ 114,635
Investments:				
Restricted investments	-	150,468	-	150,468
Unrestricted—investments	76,338	-	246,686	323,024
Intergovernmental receivables	435,972	-	-	435,972
Accrued interest on investments	47	-	147	194
Other receivable	39	-	-	39
TOTAL ASSETS	\$ 627,031	\$ 150,468	\$ 246,833	\$ 1,024,332
LIABILITIES:				
Vouchers payable	\$ 388	\$ -	\$ -	\$ 388
Due to fiduciary funds	40,958	-	-	40,958
Intergovernmental payables	203,784	-	26,200	229,984
Advances from State	14,537	-	-	14,537
Accrued items	8,922	-	-	8,922
Unearned revenue	26,395	-	-	26,395
Total liabilities	294,984	-	26,200	321,184
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - ASA AFA	64,573	-	-	64,573
Total deferred inflows of resources	64,573	-	-	64,573
FUND BALANCES:				
Restricted:				
Debt service	91,458	150,468	-	241,926
Committed:				
CTAP capital	6,995	-	-	6,995
RTA non-cap tech	3,962	-	-	3,962
Debt service deposit agreement (DSDA)	20,594	-	-	20,594
Service Board capital (discretionary)	5,540	-	-	5,540
ICE reserve	13,681	-	-	13,681
RTA capital projects	10,485	-	-	10,485
Bond capital projects for Service Boards	-	-	220,633	220,633
Strategic capital investment account (SCIA)	115,791	-	-	115,791
ADA Paratransit Reserve	40,958	-	-	40,958
Professional services	21,926	-	-	21,926
Unassigned	(63,916)	-	-	(63,916)
Total fund balances	267,474	150,468	220,633	638,575
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 627,031	\$ 150,468	\$ 246,833	\$ 1,024,332

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018
(In Thousands)**

TOTAL FUND BALANCE—GOVERNMENTAL FUNDS	\$	638,575
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This is the capital assets, net of accumulated depreciation, recognized in the statement of net position.		2,700
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Revenues which are reported as deferred inflows of resources in the governmental funds (unavailable), are recognized as revenue in the government-wide financial statements.		64,573
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Long-term liabilities and related deferred inflows of resources and deferred outflows of resources are not due and payable in the current period and therefor are not reported as fund liabilities:

Bonds and notes payable		(1,992,950)
Premiums on bonds		(121,378)
Deferred gain on refunding (inflow)		(4,791)
Compensated absences		(372)
Total OPEB liability		(511)
Net pension liability		(1,770)
Prepaid expenses - bond insurance		2,472
Accrued Interest		(29,064)

Deferred outflows of resources related to pensions and OPEB are not reported in governmental funds because they do not use current financial resources. Similarly, deferred inflows of resources related to pensions and OPEB do not provide current financial resources:

Deferred outflow (Pension)		4,824
Deferred inflow (Pension)		(3,049)
Deferred inflow (OPEB)		(32)

TOTAL NET DEFICIT—GOVERNMENTAL ACTIVITIES	\$	<u>(1,440,773)</u>
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The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS****YEAR ENDED DECEMBER 31, 2018****(In Thousands)**

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
Sales taxes	\$ 137,164	\$ -	\$ -	\$ 137,164
Interest on sales taxes	1,074	-	-	1,074
Public Transportation Fund	215,739	-	-	215,739
General State revenue	147,567	-	-	147,567
Innovation, Coordination & Enhancement (ICE)	12,539	-	-	12,539
IDOT State Grant - PACE (ADA)	7,975	-	-	7,975
Pace ADA Surplus Refund	6,457	-	-	6,457
State assistance	130,215	-	-	130,215
Intergovernmental	7,038	-	22,784	29,822
Investment income	4,586	3,539	1,886	10,011
Other revenues	1,022	-	-	1,022
Total revenues	671,376	3,539	24,670	699,585
EXPENDITURES:				
Current:				
Financial assistance to Service Boards	218,240	-	-	218,240
Administrative	16,240	-	-	16,240
Intergovernmental:				
Capital grants-discretionary	1,238	-	-	1,238
South Suburban Job Access Program (PACE)	7,500	-	-	7,500
Capital grants- State bonds	147,567	-	44,944	192,511
RTA Capital grants- Metra	320	-	-	320
Innovation, Coordination & Enhancement (ICE)	12,538	-	-	12,538
State General Revenue MOU	560	-	-	560
IDOT Cap Grant - PACE (ADA)	7,975	-	-	7,975
PACE ADA Surplus	6,457	-	-	6,457
Regional	24,088	-	-	24,088
Distributions to JSIF	2,999	-	-	2,999
Capital outlay	1,387	-	-	1,387
Debt service:				
Principal	-	471,295	-	471,295
Interest	-	102,598	-	102,598
Debt related costs	-	1,568	-	1,568
Total expenditures	447,109	575,461	44,944	1,067,514
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	224,267	(571,922)	(20,274)	(367,929)
OTHER FINANCING SOURCES (USES):				
Issuance of debt	-	250,000	139,080	389,080
Premium on issuance of debt	-	-	11,996	11,996
Transfers in	-	327,218	-	327,218
Transfers out	(318,077)	-	(9,141)	(327,218)
Total other financing sources (uses)	(318,077)	577,218	141,935	401,076
NET CHANGE IN FUND BALANCES	(93,810)	5,296	121,661	33,147
FUND BALANCES:				
Beginning of year	361,284	145,172	98,972	605,428
End of year	\$ 267,474	\$ 150,468	\$ 220,633	\$ 638,575

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2018
(In Thousands)**

NET CHANGE IN FUND BALANCES—TOTAL GOVERNMENTAL FUNDS	\$ 33,147
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$2,001) is less than depreciation (\$959) in the current period.	1,042
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Proceeds (if any) from disposals of capital assets are reported as financing sources in governmental funds; however, the gain (loss) on sale of disposal is recorded in the Statement of Activities.	(1,128)
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Revenue in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund financials. This amount represents the changes in unavailable revenue over the prior year	(534)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of all prepaid bond insurance, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. These amounts are the differences in the treatment of long-term debt and related items:

Issuance of general obligation bonds	(139,080)
Issuance of notes payable	(250,000)
Premium on issuance of bonds	(11,996)
Debt service principal payments	471,295
Amortization of premiums on bonds	8,658
Change in prepaid bond insurance	(192)
Change in accrued interest on bonds	(322)
Amortization of gain on refunding	282

Some expenses reported in the Statement of Activities do not require the use of current financial resources such as changes in compensated absences and pension and OPEB liabilities, and are not reported as expenditures in the governmental funds.

Compensated absences	6
OPEB expense	(3)
Pension expense	1,439

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 112,614</u>
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The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY**STATEMENT OF NET POSITION****BUSINESS TYPE ACTIVITIES—ENTERPRISE FUND****JOINT SELF-INSURANCE (PROPRIETARY) FUND****DECEMBER 31, 2018****(In Thousands)****ASSETS:****Current:**

Cash and cash equivalents	\$ 7,243
Investments	13,451
Accrued interest on investments	8
Prepaid insurance	<u>2,428</u>
Total assets	<u>23,130</u>

NET POSITION - Unrestricted	<u><u>\$ 23,130</u></u>
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The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION****BUSINESS TYPE ACTIVITIES—ENTERPRISE FUND****JOINT SELF-INSURANCE (PROPRIETARY) FUND****YEAR ENDED DECEMBER 31, 2018****(In Thousands)****OPERATING EXPENSES:**

Insurance expense	\$ 5,339
Professional services	82
Bank charges and miscellaneous	<u>3</u>

Total operating expenses	<u>5,424</u>
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OPERATING LOSS	<u>(5,424)</u>
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NONOPERATING REVENUES:

Investment income	352
Contributions from RTA General Fund	<u>2,999</u>
Total nonoperating revenues	<u>3,351</u>

CHANGE IN NET POSITION	(2,073)
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NET POSITION:

Beginning of year	<u>25,203</u>
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End of year	<u>\$ 23,130</u>
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The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY
STATEMENT OF CASH FLOWS
BUSINESS TYPE ACTIVITIES—ENTERPRISE FUND
JOINT SELF-INSURANCE (PROPRIETARY) FUND
YEAR ENDED DECEMBER 31, 2018
(In Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Payments to insurance vendor	\$ (5,339)
Payments to other vendors	(85)
Net cash flows from operating activities	(5,424)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of investments	(13,201)
Proceeds from sales and maturities of investments	250
Investment income	350
Net cash flows from investing activities	(12,601)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Contributions received from RTA	2,999
NET CHANGE IN CASH AND CASH EQUIVALENTS	(15,026)
CASH AND CASH EQUIVALENTS:	
Beginning of year	22,269
End of year	\$ 7,243
RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES:	
Loss from operations	\$ (5,424)
Changes in:	
Prepaid insurance	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (5,424)
Amounts reported in the Statement of Net Position	
Cash	\$ 3,251
Cash Equivalents (maturities less than 90 days):	
U.S. Agencies	3,992
Total amounts reported as cash and cash equivalents	\$ 7,243

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

DECEMBER 31, 2018

(In Thousands)

	<u>Pension Trust Fund</u>	<u>Sales Tax Agency Fund</u>
ASSETS:		
Cash and cash equivalents	\$ 5,794	\$ -
Investments, at fair value:		
Corporate fixed income mutual fund	63,134	-
Collective equity funds	94,385	-
Common stocks	31,037	-
Venture capital	13,574	-
Balanced funds	62,468	-
Total Investments	264,598	-
Intergovernmental receivables:		
Sales taxes	-	205,849
New sales tax	-	73,652
Interest on sales taxes	-	320
Due from General Fund	-	40,958
Reduced fare reimbursement	-	8,875
PTF (new sales tax/RETT)	-	67,718
Advances to Service Boards	-	87,930
Other receivables	131	-
Total Receivables	131	485,302
Total assets	270,523	485,302
LIABILITIES:		
Intergovernmental payables:		
Sales taxes due to Service Boards	-	205,849
New sales tax due to Service Boards	-	73,652
ADA Paratransit Funding (Future Years) SBD	-	40,958
Interest on sales taxes due to Service Boards	-	320
Reduced fare reimbursement	-	8,875
PTF (new sales tax/RETT)	-	67,718
Advances from State	-	87,930
Accrued other items	412	-
Total liabilities	412	485,302
Net position restricted for pensions	\$ 270,111	\$ -

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

	<u>Pension Trust Fund</u>
ADDITIONS:	
Investment gain:	
Net appreciation in fair value of investments	\$ (22,218)
Interest and dividends	4,828
	<u>(17,390)</u>
Less investment expenses:	
Investment managers	525
Trust fees	4
Investment advisor	95
Total investment expenses	<u>624</u>
Net investment loss	<u>(18,014)</u>
Contributions:	
Metra pension contributions	6,352
Pace pension contributions	4,173
RTA pension contributions	2,366
Total contributions	<u>12,891</u>
Total net additions	<u>(5,123)</u>
DEDUCTIONS:	
Benefit payments	21,190
Administrative expenses	473
Total deductions	<u>21,663</u>
NET DECREASE IN PLAN NET POSITION RESTRICTED FOR PENSIONS	(26,786)
PLAN NET POSITION RESTRICTED FOR PENSIONS	
Beginning of year	<u>296,897</u>
End of year	<u>\$ 270,111</u>

The notes to financial statements are an integral part of this statement.

REGIONAL TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2018

NOTE 1. REPORTING ENTITY

The Regional Transportation Authority ("RTA" or "Authority") was established in 1974 upon approval of a referendum in its six-county Northeastern Illinois region. The operating responsibilities of the RTA are set forth in the RTA Act ("Act"). The RTA is a unit of local government, body politic, political subdivision and municipal corporation of the State of Illinois. As initially established, the RTA was an operating entity responsible for providing day-to-day bus and rail transportation services. However, on November 9, 1983, the Illinois General Assembly reorganized the structure and funding of the RTA from an operating entity to a planning, funding, and oversight entity. The reorganization placed all operating responsibilities in the Chicago Transit Authority ("CTA"), the Commuter Rail Division ("Metra") and the Suburban Bus Division ("Pace"), each having its own independent board of directors. These divisions conduct operations and deal with subsidized carriers. These three entities are defined in the Act as the "Service Boards."

The Service Boards provide services to different geographic areas within the six-county region. Metra provides transit service to the six-county area, with the majority of the transit riders residing in the suburban metropolitan area and commuting into the City of Chicago. Pace's primary service area is the suburban communities, with limited service within the City of Chicago. The CTA provides service to the City of Chicago and 35 surrounding suburbs within Cook County. Although programs are underway to encourage riders to transfer between the service entities, trips of this type presently represent a minority of those taken.

The Act sets forth detailed provisions for the allocation of receipts by the RTA to the various Service Boards, and imposes a requirement that the RTA System as a whole achieves annually a "system-generated revenues recovery ratio" (i.e., aggregate income for transportation services provided) of at least 50% of the cost of transportation services. For purposes of the recovery ratio calculation, the Act requires that the costs used in the calculation include all operating costs consistent with generally accepted accounting principles, with certain exceptions. Capitalized expenditures are recorded as capital assets, and are excluded from the recovery ratio calculation as required by the Act. The Service Boards achieve their required recovery ratios by establishing fares and related revenue to cover the required proportion of their proposed expenses. The RTA is responsible for monitoring the budgets and financial performance of the Service Boards.

As defined by accounting principles generally accepted in the United States established by the Governmental Accounting Standards Board ("GASB"), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

Appointment of a voting majority of the component unit's board, and either: (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, the primary government; or fiscal dependency on the primary government.

Financial benefit or burden is created if any one of the following relationships exist:

- 1) The primary government is legally entitled to or has access to the component unit's resources

NOTE 1. REPORTING ENTITY (Continued)

- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

In addition, a component unit also includes certain organizations that the primary government is not financially accountable for if the nature and significance of their relationship, including ongoing financial support are such that exclusion from the financial reporting entity would render the entity's financial statements incomplete or misleading.

In the judgment of the RTA of each of the entities and their analysis and application of the GASB Statements criteria, while the RTA does exercise some fiscal oversight, the Service Boards are not part of the RTA reporting entity for the purpose of preparing a comprehensive annual financial report in accordance with generally accepted accounting principles in the United States.

In arriving at this conclusion, the following factors were considered:

- The Service Boards maintain separate management, exercise control over all operations (including the fare structures), and are accountable for fiscal matters, including ownership of assets, relations with Federal and State transportation funding agencies that provide financial assistance in the acquisition of these assets, and the preparation of operating budgets. The Service Boards are also responsible for the purchase of services and approval of contracts relating to their operations.
- The RTA Board has control neither in the selection nor the appointment of any Service Board Director nor of any of its management. Further, directors of the Service Boards are excluded from serving on more than one entity's board of directors, including that of the RTA.
- The Illinois statutes required the RTA Board to approve the budgets of the Service Boards to determine if such budgets meet specified system-generated revenues recovery ratios and other requirements as defined by the Act.
- The RTA is not entitled to any Service Board surplus or responsible for any Service Board deficits.

Based on these factors and applying the aforementioned criteria used to determine financial accountability, management of the RTA does not consider the Service Boards to be component units and, accordingly, the financial data of the Service Boards have been excluded from the RTA reporting entity. The RTA is not aware of any entity which is financially accountable for the RTA that would result in the RTA's being considered a component unit of such entity.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the RTA conform to accounting principles generally accepted in the United States as applicable to governments. The following is a summary of the significant policies:

Fund Financial Statements—The accounts of the RTA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. RTA resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be utilized and the means by which spending activities are controlled. In the financial statements, the various funds are grouped into three broad fund types and six generic fund categories as follows:

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds—The RTA's Governmental Fund Types consist of the General Fund, Debt Service Fund, and Capital Projects Fund, the following funds are reported as major governmental funds:

General Fund—The General Fund is the general operating fund of the RTA. It is used to account for all financial transactions that are not accounted for in another fund.

Debt Service Fund—This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs for all debt issuances.

Capital Projects Fund—In 1989, the Illinois General Assembly authorized the RTA to issue a maximum of \$500 million of Strategic Capital Improvement Program ("SCIP") bonds, and to have a maximum of \$500 million RTA bonds outstanding. The Capital Projects Fund is utilized for the receipt and disbursement of the proceeds of the bond issues. The Capital Projects Fund was first established in 1990 with the issuance of \$100 million of RTA bonds to fund capital projects at the Service Boards. The proceeds from the bonds issued under the General Assembly's authorization were allocated by the RTA as follows: 50% for capital projects of the CTA; 45% for capital projects of Metra; and 5% for capital projects of Pace. Projects included in approved five-year Capital Programs will be eligible for reimbursements from these proceeds by the RTA without further review or action by the RTA Board of Directors.

In 1999, the Illinois General Assembly passed additional bonding authorization, thereby increasing the RTA bond authority to \$800 million outstanding effective January 1, 2000. It also increased SCIP bond issues by \$1.3 billion not to exceed \$260 million per year beginning in 2000.

Proprietary Fund Type—Proprietary Funds are used to account for activities that are similar to those found in the private sector and to account for the financing of goods or services provided by a department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. The RTA has one Proprietary Fund which relates to the activities of the Joint Self-Insurance Fund.

Joint Self-Insurance Fund—The Joint Self-Insurance Fund ("Fund") is used to account for the financing of claims incurred by the Service Boards and the RTA on a cost-reimbursement basis. The Fund is essentially a financing mechanism providing a source from which to borrow or to pay for the first \$5 million of catastrophic losses and other claims incurred by the Service Boards and the RTA arising out of personal injuries, property damage, and certain other losses. This Fund is reported as an Enterprise Fund since the predominant participants are outside of the RTA.

Fiduciary Fund Type—Fiduciary Funds account for assets held by a governmental entity in a trustee capacity or as an agent for others. The RTA's Fiduciary Funds consist of one Agency (Sales Tax) Fund and a Pension Trust Fund.

Agency Fund—The Sales Tax Agency Fund records the receipt and disbursement of amounts due to the CTA, Metra and Pace, including Retailers' Occupation and Use Tax (sales taxes), interest on sales taxes, and reduced fare reimbursement grants. For RTA budgetary purposes, sales tax receipts are recorded in the Sales Tax Agency Fund and are equally offset by amounts recorded as disbursements reflecting the pass-through to the Service Boards.

Pension Trust Fund—The Pension Trust Fund is used to account for the accumulation of resources for, and payments of, retirement benefits to employees participating in the RTA Pension Plan.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the RTA in a manner similar to a private-sector business. The effect of interfund activities has been removed from these statements. Governmental activities which are supported by sales taxes and intergovernmental revenues are reported separately from the insurance activities. The insurance activities include interest charges for loans advanced for claims of the Service Boards. Likewise, the fiduciary fund type - RTA Pension Trust Fund and Sales Tax Agency Fund are presented separately and are not included in the government-wide financial statements of the RTA.

The statement of activities shows certain direct program expenses which are offset by program revenues. Governmental program activities include expenses such as financial assistance and capital asset funding (capital grants) to CTA, Metra, and Pace; administrative expenses; operating the RTA Travel Information Center, certifying riders for paratransit service under the Americans with Disabilities Act ("ADA") and other services (regional expenses); and payment of debt service on bonds issued by the RTA. Program revenues include operating grants and contributions that are restricted to meeting the operational requirements of a particular program (i.e., technology and non-technology programs). Sales taxes, Public Transportation Fund ("PTF"), state assistance ("ASA/AFA"), investment income and other items properly excluded from program revenues are reported instead as general revenues.

Fund level financial statements are provided for governmental funds, the proprietary fund, and fiduciary funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation—The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund (Joint Self-Insurance Fund) and the Pension Trust Fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Sales taxes are recognized as revenues if collected by the retailers by year-end. Grants and similar items are recognized as revenues when qualifying expenditures have been incurred and as soon as all eligibility requirements imposed by the grantors have been met. Prepaid expenses are recorded using the consumption method.

The Joint Self-Insurance Fund distinguishes operating revenues and expenses from non-operating items. Operating revenues (interest charged to Service Boards) and expenses (administrative expenses including insurance premium and professional services) generally result from providing services in connection with the proprietary fund's ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Sales Tax Agency Fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

Governmental fund financial statements use the current financial resources measurement focus. The funds are accounted for using the modified accrual basis of accounting; i.e., revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or shortly thereafter to pay liabilities of the current period. Sales taxes are considered measurable and available if collected by the retailer by year-end and received by the RTA within 180 days after year-end. ASA/AFA is considered measurable and available if billed and received within 180 days after year-end. Additionally, certain compensated absences, claims and judgments, debt service principal and interest, pension and OPEB are only recognized when the obligations are expected to be liquidated with expendable available financial resources.

The RTA reports three major governmental funds—General Fund, Debt Service Fund, and Capital Projects Fund; one major proprietary fund—Joint Self-Insurance Fund; and two fiduciary funds—Pension Trust Fund and Sales Tax Agency Fund.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. This only applies to governmental and proprietary funds. The results of fiduciary activities are included in aggregate remaining fund information.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity/Net Position

Cash and Investments—All excess General Fund cash is invested and earnings are credited to the General Fund for use in financing general RTA operations. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the RTA reports investments at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are reported at amortized cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Fair value for the majority of fixed income securities is determined by using quoted market prices by independent pricing services.

Intergovernmental Receivables—Receivables include amounts due from State and local governments for sales taxes, specific programs or projects, and services.

Capital Assets—The RTA sets a capitalization threshold of no less than \$5,000 for any capital item(s) and have a useful life of at least one year following the date of acquisition. Purchased capital assets are recorded at historical cost, donated works of art and similar items and capital assets received in a service concession arrangement, if applicable, are recorded at acquisition value. Any acquisitions during the year are considered acquired at the beginning of that year for the purpose of computing depreciation. The RTA uses the straight-line method for computing depreciation expense. Leasehold improvements made to RTA's office facilities are capitalized, and their costs amortized over the life of the lease. Leasehold improvements and major equipment repairs, if any, are also capitalized during the remaining life of the lease or the extended useful life of the equipment. The Capital-Technology Program's capitalized assets are for projects in progress; therefore, the assets are non-depreciable.

<u>Description</u>	<u>Useful Life</u>
Furniture and equipment	5 years
Computer equipment and software	5 years
Leasehold improvements	Life of the lease

Restricted Assets and Restricted Net Position—Bond proceeds and amounts set aside for general obligation debt service are classified as restricted assets since their use is limited by the bond indentures. When both restricted and unrestricted resources are available for use, it is RTA's policy to use restricted resources first, then unrestricted resources as needed.

Deferred Outflows of Resources and Deferred Inflows of Resources—are a consumption (outflow) or acquisition (inflow) of net position by the government that are applicable to a future reporting period.

Compensated Absences—Compensation for holidays, illness, and other qualifying absences is not accrued in the accompanying financial statements because rights to such compensation amounts either do not accumulate or they do not vest. The RTA accounts for compensated absences under GASB No. 16, entitled "Accounting for Compensated Absences", whereby the applicable salary-related employer obligations are accrued in addition to the compensated absences liability. Compensated absences are recorded in the General Fund only if they have matured (i.e., unused leave still outstanding at time of an

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

employee's resignation or retirement). Compensated absences are recorded in the governmental activities as current liabilities when the obligation is due. The RTA's policy is compensated absences have to be used by the end of the following fiscal year.

Changes in compensated absences for the year ended December 31, 2018 were as follows (amounts in thousands):

	Balance January 1, 2018	Increases	Decreases	Balance December 31, 2018	Due Within One Year
Compensated absences payable	\$ 378	\$ 562	\$ 568	\$ 372	\$ 372

Intergovernmental Payables—These amounts include accrued financial assistance, sales taxes, capital and other grants due to the Service Boards.

Unearned Revenue—These amounts include debt service deposit agreement receipts, which are recorded as liabilities and revenue recognition is based on certain time requirements based on the required timing of the related debt service payments.

Fund Balances—In the fund financial statements, governmental funds report fund balances in the following categories:

Nonspendable – This consists of amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. The RTA did not have amounts reported within this category.

Restricted – This consists of amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed – This consists of amounts constrained by limitations that the Authority imposes upon itself through resolution by its board of directors. The commitment amount will be binding unless removed or amended in the same manner.

Assigned – This consists of net amounts that are constrained by the Authority's intent to be used for specific purpose, but that are neither restricted nor committed. Assigned amounts are determined by the Executive Director upon recommendation of the Budget and Treasury division based on the year-end Positive Budget Variance.

Unassigned – This consists of residual fund balances.

In instances where restricted, committed and assigned fund balances are available for use, RTA's policy is to use restricted resources first, followed by committed resources, then assigned resources, as needed.

Revenues—The RTA has four principal sources of revenue: (1) retailer's occupation taxes, service occupation taxes, and use taxes (collectively, RTA Sales Tax); (2) funds appropriated to the RTA by statute through the PTF established under the Act; (3) State or Federal grants, or any other such funds, which the RTA is authorized to apply for and receive under the Act; and (4) investment income on unexpended funds held by the RTA, and other miscellaneous revenue.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sales Tax—Prior to 2008, the RTA Sales Tax consisted of (i) in Cook County, (a) a tax of 1% of the gross receipts from sales of drugs, certain medical supplies and food prepared for consumption off the premises (other than for immediate consumption) imposed on all persons selling tangible personal property at retail (a Food and Drug Tax) and (b) a tax of 0.75% of the gross receipts from all other taxable retail sales; (ii) in counties within Northeastern Illinois other than Cook County, a tax of 0.25% of the gross receipts from all taxable retail sales (together with (i) (b), a General Sales Tax); and (iii) a tax of 1% on the use in Cook County, and 0.25% on the use in Northeastern Illinois other than Cook County of tangible personal property purchased from a retailer outside Northeastern Illinois and titled or registered with a State agency by a person with a Northeastern Illinois address (a Use Tax); and (iv) a tax imposed in the same locations and at the same rates as the Food and Drug Tax and the General Sales Tax on persons engaged in a sale of service pursuant to which property in the form of tangible personal property or in the form of real estate is transferred incidental to a sale of a service (a Service Occupation Tax).

The taxes described in (i) and (ii) above are also imposed on persons engaged in making sales of services pursuant to which tangible personal property or real estate (as incident to a sale of a service) is transferred (with respect to the taxes in (i) and (ii), a Service Occupation Tax).

The RTA Sales Tax is collected by the Illinois Department of Revenue (the “Department of Revenue”), and paid to the Treasurer of the State to be held in trust for the RTA outside the State Treasury. Proceeds from the RTA Sales Tax are payable monthly directly to the RTA, without appropriation, by the State Treasurer on the order of the State Comptroller. Effective July 1, 2018, the State reduced the permanent administrative surcharge on RTA sales tax receipts to 1.5%, which was imposed July 1, 2017 at 2%. Through December 2018, the reduced amount of sales tax provided to the RTA and Service Boards was approximately \$17.0 million.

Also, proceeds from certain sales taxes imposed by the State are allocated to the RTA as part of the restructuring of the State and local sales taxes in Illinois. Until January 1, 1990, the State General Sales Tax, State Use Tax, and State Service Occupation Tax portions of the RTA Sales Tax were imposed at a rate of 1% in Cook County. Effective January 1, 1990, as a result of legislation (the Sales Tax Reform Act) aimed at simplifying the base and rate structure of taxes imposed by the State and its local governments, including the RTA, the State General Sales Tax, State Use Tax, State Service Occupation Tax, and State Service Use Tax were increased from 5% to 6.25% and any corresponding portions of the RTA Sales Tax in Cook County were reduced from 1% to 0.75%. In order to avoid a revenue loss to the RTA because of the reduction in this portion of the RTA Sales Tax, the Sales Tax Reform Act directed that portions of the receipts from the State General Sales Tax, State Use Tax, State Service Occupation Tax, and State Service Use Tax be paid to the RTA annually.

Specifically, 4% of the net monthly revenue from the 6.25% State General Sales Tax and State Service Occupation Tax and 4% of the net monthly revenue from the State Use Tax on personal property purchased at retail outside the State, but registered or titled with a State agency within the State (i.e., 0.25% of total) is transferred into the County and Mass Transit District Fund in the State Treasury (the “CMTD Fund”). The amount in the CMTD Fund attributable to taxable sales occurring in Cook County or to property registered or titled in Cook County is then transferred into the RTA Occupation and Use Tax Replacement Fund in the State Treasury (the “Replacement Fund”). In addition, (i) the net monthly revenue from the State Use Tax and State Service Use Tax portions of the 1% State Food and Drug Tax, and (ii) 20% of the net monthly revenue of the 6.25% State Use Tax and State Service Use Tax (i.e., 1.25% of total), other than revenues of such taxes attributable to personal property purchased at retail outside the State but registered or titled with a State agency within the State, are deposited in the State and Local Sales Tax Reform Fund (the “Reform Fund”). Of the money paid into the Reform Fund, 10% is transferred into the Replacement Fund.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Act provides that the RTA withhold 15% of these tax revenues generated and that these revenues are deposited into the RTA's General Fund. The RTA is required to pass on to the Service Boards, pursuant to statutory formula, an amount equal to the remainder of such tax revenues. The remaining 85% of sales tax is allocated to the Service Boards as follows:

<u>Service Board</u>	<u>Collected Within Chicago</u>	<u>Collected within Cook County Outside Chicago</u>	<u>Collected in DuPage, Kane, Lake McHenry and Will Counties</u>
CTA	100 %	30 %	-
Metra	-	55 %	70 %
Pace	-	15 %	30 %

The RTA recognizes as a receivable and revenue in the General Fund only the 15% of this portion of the total sales taxes collected to which it is entitled by the amended Act. The remaining 85% of this portion of the sales tax is recorded in the Agency Fund. The criteria applied for recognition of the receivable and related revenue are that the amounts are "measurable and available" for the RTA to meet its current obligations.

In January 2008, Illinois Public Act 95-0708 increased the RTA sales tax rate throughout the region, increased the real estate transfer tax ("RETT") in the City of Chicago, and raised the rate at which RTA sales tax revenues are matched by PTF. The RTA sales tax rate was increased 0.25% in Cook County and 0.50% in the Collar Counties effective April 1, 2008. Proceeds of the sales tax increase in the Collar Counties are divided evenly between the RTA and the county where the tax is collected. Effective April 1, 2008, the RETT in the City of Chicago was increased by 40% (i.e. for every \$500 in sales price and additional \$1.50 in tax is collected).

Public Transportation Fund—In accordance with the Act, the State Treasurer is authorized and required to transfer from the State's General Revenue Fund to a special fund in the State Treasury designated the "Public Transportation Fund," an amount equal to 30% of net revenues realized from sales taxes (or, as the case may be, gasoline or parking taxes) and RETT. These amounts may be paid to the RTA only upon State appropriation.

In February 2008, the PTF match of the pre-2008 RTA sales tax increased from 25% to 30%. In April 2008, the 5% PTF match was applied to the RETT and the RTA portion of the sales tax increase. In January 2009, the PTF match of both the RETT and the RTA portion of the sales tax increase rose from 5% to 30%.

While the RETT and the 25% PTF match of RETT funds only the CTA, the largest part of P.A. 95-0708 revenue provides funding for CTA, Metra, Pace and ADA Paratransit operations, as well as for regional Innovation, Coordination and Enhancement ("ICE") and Suburban Community Mobility Fund ("SCMF") initiatives. Funds for ADA Paratransit, ICE and SCMF are by statute set aside before distributions to the CTA, Metra and Pace.

None of the revenues from the PTF are payable to the RTA unless and until the RTA certifies to the Governor, State Comptroller, and Mayor of the City of Chicago that it has adopted a budget and financial plan as called for by the Act. This certification has been submitted.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The amounts allocable to each of the Service Boards from funding received by the RTA from a portion of the State's PTF are allocated at the direction of the RTA Board in connection with the review and approval of the annual and revised budgets of each Service Board. This portion corresponds to 25% of the pre-2008 sales tax receipts. The remaining portion of the State's PTF is combined with the sales tax resulting from the 2008 rate increase and allocated by statute first to the ADA Paratransit Fund, ICE Fund, and SCMF, with the remainder distributed 48% to the CTA, 39% to Metra, and 13% to Pace.

The allocable amounts of such funds are payable as soon as may be practicable upon their receipt, provided that the RTA has adopted a budget pursuant to Section 4.01 of the Act, and the Service Board that is to receive such funds is in compliance with the budget requirement imposed upon the Service Board pursuant to Section 4.11 of the Act.

Reduced Fare Reimbursement—In the State's fiscal year 2018, which ends June 30, 2018, the Illinois General Assembly appropriated funds for a program under which the Illinois Department of Transportation ("IDOT") is authorized to provide to the RTA a reduced fare reimbursement grant for the purpose of reimbursing the Service Boards for a portion of actual revenue losses attributable to reduced fares for students, people with disabilities, and the elderly. For the state fiscal year ended June 30, 2018, the grant was in the amount of \$16.7 million.

Additional State Assistance/Additional Financial Assistance—The State has authorized Additional State Assistance ("ASA") which is supplemental financing for the RTA's Strategic Capital Improvement Program ("SCIP") bonds. The ASA available to the RTA during the State's July through June fiscal year is limited to the lesser of (i) the actual debt service payable during such year on any outstanding SCIP I bonds plus any debt service savings from the issuance of currently refunding or advance refunding SCIP I bonds, less interest earned on the unspent bond proceeds, or (ii) \$55 million per year. The RTA recognized \$40 million of ASA in 2018.

Beginning with the State's fiscal year 2001, the State has also authorized Additional Financial Assistance ("AFA") to pay for debt service requirements for SCIP II bonds authorized under the Illinois First Program. The amount available to the RTA during the State's July through June fiscal year is limited to the lesser of (i) the actual debt service payable during such year on any outstanding SCIP bonds less interest earned on those bond proceeds, or (ii) \$100 million in the State's fiscal years 2018 and 2019, per year. The RTA recognized \$90 million of AFA in 2018.

Expenditures and Expenses—Operating grants consist of financial assistance to the Service Boards. The RTA provides operating assistance to the Service Boards to fund, in part, their RTA-approved budgets.

Capital grants consist of the RTA local match of Federal Transit Administration ("FTA") and IDOT-funded capital projects, 100% RTA-funded projects and capital projects funded by RTA, SCIP bonds, and investment income on bonds. Capital payments of approximately \$10 million for sales tax funding are due to Metra based on a statutory formula. This formula consists of the budgeted sales tax revenues in excess of Metra's budgeted operating deficit. This amount is presented in the Sales Tax Agency Fund.

Administration consists of those costs of the RTA incurred to carry out its administrative activities. These costs were limited by statute to \$25.0 million for the year ended December 31, 2018.

Non-administration, listed as regional and technology program expenses in the statement of activities, consists of those costs of the RTA which are exempt from the statutory limit defined in the RTA Act. These costs include the operation of the Travel Information Center, Transit Benefit Program, Americans with Disabilities Act ("ADA"), reduced fare registration, capital development and other program costs incurred on behalf of the Service Boards and not for the benefit of RTA itself.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Flows—For purposes of the statement of cash flows, the RTA considers all short-term securities with original maturities of three months or less to be cash equivalents. Cash and cash equivalents totaled \$7.2 million at December 31, 2018 and are included in cash and cash equivalents under business-type activities on the accompanying statement of net position.

Management's Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets, deferred outflows or resources, liabilities and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Interfund Transactions—The governmental fund's balance sheet reports all outstanding balances between funds, as "due to/from other funds." The government-wide financial statements report any residual balances outstanding between the governmental activities and business-type activities as "internal balances." Government-wide financial statements and the Statement of Fiduciary Net Position report a "due to/from general fund" outstanding for pension contributions.

New Accounting Pronouncements:

Accounting standards that the Authority is currently reviewing for applicability and potential impact on the financial statements include:

GASB Statement No. 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations ("AROs"). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the Guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 87, *Leases*. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It also defines a majority equity interest and specifies how it should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objective of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Unless stated otherwise, management has not currently determined what impact, if any, these Statements may have on its financial statements.

NOTE 3. CASH AND INVESTMENTS**Governmental and Joint Self-Insurance Fund**

Cash and investments in the statement of net position may be restricted by bond covenants or through action of the RTA board as to their use. Unrestricted cash and investments may be used for any purpose. A summary of cash and investments as of December 31, 2018 is as follows (amounts are in thousands):

	Governmental Activities	Business-Type Activities	Total
Demand deposits	\$ 114,635	\$ 3,251	\$ 117,886
Certificates of deposit	2,350	500	2,850
Commercial paper	40,938	-	40,938
Illinois Funds	12,088	-	12,088
Money market funds	56,802	-	56,802
U.S. Treasuries	349,598	-	349,598
Government agencies	11,716	16,943	28,659
Total cash and investments	<u>\$ 588,127</u>	<u>\$ 20,694</u>	<u>\$ 608,821</u>

NOTE 3. CASH AND INVESTMENTS (Continued)

Deposits and Investments—Section 2.20(a)(ii) of the RTA Act authorizes the RTA to invest any funds or monies not required for immediate use or disbursement. The applicable statutory provisions governing the investment of public funds are found in 30 ILCS 235/0.01, et seq.

The RTA investment policy is in accordance with the Illinois statutes and allows the RTA to invest in:

- Certain obligations of the U.S. Government and its agencies.
- Interest-bearing certificates of deposit, interest-bearing time deposits or any other investments constituting direct obligations of any FDIC insured bank as defined by the Illinois Banking Act.
- Short-term obligations of corporations organized in the United States with assets exceeding \$500 million and rated within the highest two classifications established by at least two standard rating services.
- Certain money market mutual funds.
- The Illinois Funds – external investment pools managed by the Illinois State Treasurer.
- Repurchase agreements.

Custodial Credit Risk — Custodial credit risk is the risk that in the event of a bank failure, the RTA's deposits may not be returned to it. The RTA's policy for custodial credit risk states collateral will be valued at market value (excluding accrued interest) on the trade date. Collateral required will be 100% of the investment or such greater percentage as may be appropriate based upon the financial stability of the institution and the term of the collateral (i.e., maturity), less any insurance provided by the Federal Deposit Insurance Corporation ("FDIC"). As of December 31, 2018, all of RTA's deposits with financial institutions in excess of federal depository insurance limits were fully collateralized.

Investments

Custodial Credit Risk — For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of December 31, 2018, the RTA's investments are exposed to custodial credit risk because they are held by a third-party, in the name of the RTA.

Interest Rate Risk — To mitigate losses caused by changing interest rates, the maturities of the RTA's investments is limited. Per the RTA's investment policy, investments in corporations are limited to maturities of 180 days or less. Other investment maturities cannot exceed three years.

As of December 31, 2018, the RTA's investments subject to interest rate risk were as follows (amounts in thousands):

Investment Type	Carrying Value
Commercial paper	\$ 40,938
Illinois Funds	12,088
Money market funds	56,802
U.S. treasuries	349,598
Government agencies	28,659
Total	<u>\$ 488,085</u>

The RTA treats all investments with an initial term of less than 90 days as cash and cash equivalents. As of December 31, 2018, there are no investments held by the Authority with maturities greater than one year.

NOTE 3. CASH AND INVESTMENTS (Continued)

Credit Risk — The RTA's policy for credit risk states no investment shall be made in short-term obligations of corporations unless such obligations are rated at the time of purchase within the highest classification established by at least two standard rating services, the investment matures no later than 180 days from the date of purchase and the issuer is domiciled in the United States. Investments in Agencies will be limited to obligations of the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation and the Federal Home Loan Banks. Investments in U.S. Treasury securities are backed by the faith and credit of the U.S. Government and are not considered to have credit risk.

As of December 31, 2018, the RTA's investments were as follows (amounts in thousands):

Investment Type	Carrying Value	Credit Rating Standard		
		Moody's	& Poor's	Fitch
Commercial paper	\$ 40,938	P-2	A-2	F-2
Illinois Funds	12,088	*	AAAm	*
Money market funds	56,802	Aaa-mf	AAAm	AAAmmf
U.S. treasuries	349,598	Aaa	AA+	AAA
Government agencies	28,659	P-1	A-1+	F1+
Total	<u>\$ 488,085</u>			

* Rating not available

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Except for commercial paper, the RTA's investment policy does not specifically address a limitation of investments in a single issuer; instead the policy addresses credit risk using broad categories of investments. The RTA's policy states the maximum percentage of the portfolio invested in commercial paper should not exceed 33.3%, money market mutual funds should not exceed 20.0%, U.S. Government Agency obligations should not exceed 20.0%, the Illinois Funds should not exceed 20% and Repurchase Agreements should not exceed 50.0%.

The RTA has no investments that exceed the individual limitations noted with the policy noted above. In addition, the RTA has no individual investment that exceeds 5% of the total cash and investments.

The RTA's investments in money market funds are for liquidity and offer an alternative to other investment vehicles. Management has reviewed the investments in the money market funds and has determined that the types of investments included in the money market funds are consistent with the RTA's investment policy. These funds consist of U.S. Treasury Securities and Agencies.

The Illinois Funds investment pool (2a7-like pool) is managed by the Treasurer of the State of Illinois and is not registered with the SEC. The Illinois Funds targets maintaining a \$1 per share net asset value ("NAV") at all times. The Illinois Funds are recorded at amortized costs.

Fair Value Measurement

The RTA categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2 and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

NOTE 3. CASH AND INVESTMENTS (Continued)

- Level 1** Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.
- Level 2** Significant other observable inputs, which may include, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets; and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.
- Level 3** Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. The RTA's assessment of significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Fixed income and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical investments.

The following summarizes the valuation of the RTA's investments by the fair value hierarchy levels as of December 31, 2018 (amounts in thousands):

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Money market - mutual fund	\$ 56,802	\$ 56,802	\$ -	\$ -

The RTA's remaining investments are reported at amortized cost which as stated in Note 2 approximates fair value and is not subject to the fair value hierarchy.

Pension Funds

Risk Posture - The RTA evaluated the assets and liabilities of the Pension Plan in order to determine an asset allocation that provides a high likelihood of achieving the responsibilities noted above. The obligations of current and future beneficiaries were evaluated under various market scenarios to develop an allocation that can be expected to generate a solid rate of return without incurring undue risk. In general, the risk posture of the Pension Plan is such that the portfolio is structured to maintain funding requirements and modestly grow assets through a low to moderate level of risk.

Custodial Credit Risk – Custodial credit risk, for deposits and investments, is the risk that in the event of the failure of the depository financial institution or counterparty to a securities transaction, the RTA Pension Plan will not be able to recover the deposits or value of the securities or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured or unregistered by the counterparty's trust department or agent, but not in the name of the customer.

As of December 31, 2018, the Plan's deposits are covered in full by federal depository insurance and the Plan's investments are exposed to custodial credit risk because they are held by the Plan's trust operations administrator in the name of the Plan.

Interest Rate Risk — Per the RTA's Pension Plan investment policy, the duration of the fixed income portfolio should be within 20% of the duration of the benchmark index.

NOTE 3. CASH AND INVESTMENTS (Continued)

As of December 31, 2018, the RTA's pension investments exposed to interest rate risk were as follows (amounts in thousands):

Investment Type	Fair Value	Weighted Average Maturity (Months)
Corporate fixed income mutual fund	\$ 63,134	100
Money market fund	5,794	1
Total fair value	<u>\$ 68,928</u>	

Credit Risk — The RTA's pension policy for credit risk states at least 85% of the fixed income investments should be limited to securities with ratings of at least investment grade as defined by both Moody's and Standard & Poor's. Split rated bonds are to be governed by the lower rating. Unrated securities of the U.S. Treasury and government agencies are a permissible investment. No more than 15% of the portfolio may be invested in investment-grade securities of foreign entities domiciled in countries included in the Salomon Brothers World Government Bond Index.

As of December 31, 2018, the credit ratings for RTA pension debt securities were as follows (amounts in thousands):

Investment Type	Total Fair Value (Amounts in Thousands)	Credit Rating (where available)		
		Moody's	Standard & Poor's	Fitch
Corporate fixed income mutual fund	\$ 63,134	NR	NR	NR
Money market fund	5,794	Aaa-mf	AAAm	NR
Total	<u>\$ 68,928</u>			

NR - not rated

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The RTA's pension investment policy states that fixed income securities of a single issuer (excluding obligations of the United States Government and its agencies) should be limited to 5% of the fixed income portfolio, measured at market value. The RTA's pension policy states the asset allocation policy has been developed based on the objectives and characteristics of the pension liabilities, capital market expectations, and asset-liability projections. This policy is long-term oriented and consistent with the risk posture. As of December 31, 2018, the pension fund did not have any investment in a single issuer which was greater than 5% of the Plan's investment portfolio.

Fair Value measurement

The RTA Pension Plan categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles.

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. The Plan's assessment of significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Investments measured at fair value using net asset value per share (or equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required. Fixed income and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical investments.

NOTE 3. CASH AND INVESTMENTS (Continued)

Fixed income investments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices.

The following table summarizes the valuation of the Plan's investments by the fair value hierarchy levels as of December 31, 2018 (amounts in thousands):

<u>Investment by Fair Value Level</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Fixed income investments				
Mutual funds - fixed income	\$ 63,134	\$ 63,134	\$ -	\$ -
Total Fixed Income Investments	63,134	63,134	-	-
Equity investments				
Common stock	31,037	26,775	4,262	-
Collective equity funds	94,385	-	94,385	-
Total Equity Investments	125,422	26,775	98,647	-
Commingled funds				
Balanced funds	32,621	62,468	-	-
Total investments by fair value level	221,177	\$ 152,377	\$ 98,647	\$ -
<u>Investment Measured at the Net Asset Value (NAV)</u>				
Commingled funds	\$ 29,847			
Real estate funds	12,227			
Private equity	1,096			
Hedge Funds	251			
Total investments by NAV	43,421			
Total investments	<u>\$ 264,598</u>			

Investments measured at the NAV per share (or its equivalent) are as follows (amounts in thousands):

<u>Investments Measured at the Net Asset Value (NAV)</u>				
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Commingled fixed income funds (1)	\$ 29,847	\$ -	Daily	1 day
Real estate funds (2)	12,227	12,000	Quarterly - Biannually	30 days
Private equity funds (3)	1,096	12,400	N/A	N/A
Hedge funds (4)	251	-	Quarterly - Biannually	65 - 90 days
Total	<u>\$ 43,421</u>	<u>\$ 24,400</u>		

- (1) *Commingled Funds* – There is one fixed income fund, which is considered commingled in nature. Each are valued at net asset value of the units held at the end of the period based upon fair value of the underlying securities.

NOTE 3. CASH AND INVESTMENTS (Continued)

- (2) *Real Estate Funds* – There is one real estate fund that invests primarily in office, industrial, retail and residential real estate in the United States with a focus on San Francisco and New York City. The fund is classified as a liquid real estate fund due to the open-end structure of the fund. Open-end funds generally offer periodic distributions of net cash flow, which can be reinvested, as well as quarterly redemption windows.
- (3) *Private Equity Funds* – Consisting of one private equity fund investing in secondary private markets with asymmetric risk/reward profiles, offering enhanced downside protection and meaningful upside optionality. The underlying portfolio investments cannot be redeemed with each fund, but rather the fund will make distributions of capital as the fund liquidates the underlying portfolio investments over the life of the fund.
- (4) *Hedge Funds* - This type invests in one hedge fund, in which managers employ bottom-up stock picking, seeking returns in excess of public markets. Some of these managers have the ability to employ dedicated exposure to a particular sector in which they exhibit expertise.

NOTE 4. INTERGOVERNMENTAL RECEIVABLES AND PAYABLES

The intergovernmental receivables and payables in the statement of net position comprise the following:

Receivable	Amount (In Thousands)
General Fund:	
Sales taxes	\$ 46,333
State assistance (ASA & AFA)	188,141
General State Revenue (MOU)	16,027
Public Transportation Fund (PTF)	172,301
Interest on sales tax	223
Illinois Department of Transportation (IDOT) grants and others	6,382
PACE (ADA) surplus	6,457
Due from service boards	108
Total Intergovernmental Receivables	<u>\$ 435,972</u>
Payable	
General Fund:	
Operating Assistance	\$ 133,097
State PTF overpayment	33,389
State bond payable SB	23,618
Capital assistance	13,680
Total General Fund	<u>203,784</u>
Capital Projects Fund:	
Capital grants	<u>26,200</u>
Total Intergovernmental Payables	<u>\$ 229,984</u>

NOTE 5. DUE TO/FROM OTHER FUNDS

Various transactions result in “due to/from other funds” balances. In most cases, the General Fund advances payments on behalf of other funds.

The General Fund makes monthly transfers to the Debt Service Fund and occasionally makes transfers to the Joint Self-Insurance Fund. The General Fund owes the Pension Trust Fund for its share of contributions during the period. Cash receipts and payments on behalf of the Sales Tax Agency Fund originate in the General Fund.

On December 31, 2018, the amounts due to/from other funds presented in the Governmental Funds Balance Sheet, the Joint Self-Insurance Fund Statement of Net Position, and the Fiduciary Funds Statement of Fiduciary Net Position are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount (In Thousands)</u>
Fiduciary - Sales Tax Agency	General	\$ 40,958

NOTE 6. INTERFUND TRANSFERS

Various transactions result in “transfer in/out” balances from funds. Transfer in/out balances presented on the Governmental Fund’s Statement of Revenues, Expenditures and Changes in Fund Balances and the Business Type Activities Fund’s Statement of Revenues, Expenses and Changes in Net Position are as follows:

<u>Transfer Out Fund</u>	<u>Transfer In Fund</u>	<u>Amount (In Thousands)</u>
General	Debt Service	\$ 318,077
Capital Projects	Debt Service	9,141

The purpose of interfund transfers from the General Fund to Debt Service is to satisfy the RTA’s obligations to bondholders for principal and interest. The purpose of the interfund transfer from the General Fund to the Joint Self-Insurance Fund is to make a capital contribution to the fund to purchase insurance. The transfer from Debt Service to the General Fund was made to make principal and interest payments on outstanding debt.

NOTE 7. ADVANCES TO SERVICE BOARDS

The Illinois Department of Revenue (“IDOR”) sends a “13th month” sales tax advance to compensate for the delayed processing of sales tax payments to the RTA. Each year, IDOR calculates the amount and the RTA verifies that calculation. The allocations to the Service Boards are set forth below (amounts in thousands):

CTA	\$ 41,283
Metra	35,433
Pace	<u>11,214</u>
Total Service Board Advances	<u>\$ 87,930</u>

Sales tax advances have also been reported as current liabilities in the Agency Sales Tax Fund.

NOTE 8. CAPITAL ASSETS

The following is a summary of changes in capital assets during the fiscal year (amounts in thousands):

	Balance at January 1, 2018	Additions	Retirements/ Adjustments	Balance at December 31, 2018
<u>Depreciable:</u>				
Office furniture and equipment	\$ 1,078	\$ 614	\$ -	\$ 1,692
Computer equipment	6,737	1,377	-	8,114
Leasehold improvements	2,163	10	-	2,173
Subtotal	9,978	2,001	-	11,979
Less accumulated depreciation:				
Office furniture and equipment	929	169	-	1,098
Computer equipment	5,768	702	-	6,470
Leasehold improvements	1,623	88	-	1,711
Subtotal	8,320	959	-	9,279
Total Depreciable	1,658	1,042	-	2,700
<u>Non-depreciable:</u>				
Capital in progress -Technology Program	1,128	-	1,128	-
Total capital assets—net of accumulated depreciation	\$ 2,786	\$ 1,042	\$ 1,128	\$ 2,700

All capital assets are associated with governmental activities.

During 2018, the total depreciation allocated to administrative expense was \$959 thousand.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE

Changes during the year in bonds payable were as follows (amounts in thousands):

	January 1, 2018	New Issues	Current Retirements	December 31, 2018	Due Within One Year
1990A	\$ 21,410	\$ -	\$ 6,645	\$ 14,765	\$ 7,125
1991A	26,695	-	6,040	20,655	6,445
1994C* & 1994D	22,855	-	9,295	13,560	10,040
1997 Refunding	28,930	-	4,485	24,445	4,765
1999* Refunding	167,245	-	21,400	145,845	22,650
2000A*	169,815	-	8,860	160,955	9,405
2001A*	66,290	-	3,230	63,060	3,415
2001B* Refunding	19,810	-	2,865	16,945	3,025
2002A*	111,320	-	4,860	106,460	5,140
2003A*	188,695	-	7,720	180,975	8,145
2003B	108,770	-	4,455	104,315	4,695
2004A*	195,040	-	7,295	187,745	7,685
2005B Refunding	89,420	-	4,735	84,685	4,955
2006A*	5,970	-	5,970	-	-
2010A	29,880	-	5,405	24,475	5,680
2010B	112,925	-	-	112,925	-
2011A Refunding	30,310	-	14,810	15,500	15,500
2014A	94,560	-	1,705	92,855	1,785
2016A	94,020	-	1,520	92,500	1,595
2016C Cash Note	150,000	-	150,000	-	-
2017A	191,205	-	-	191,205	5,935
2017B Direct Placement	150,000	100,000	200,000	50,000	50,000
2018A Cash Note	-	150,000	-	150,000	-
2018B	-	139,080	-	139,080	2,085
Subtotal	2,075,165	389,080	471,295	1,992,950	180,070
Unamortized bond premium	118,040	11,996	8,658	121,378	-
Total	\$ 2,193,205	\$ 401,076	\$ 479,953	\$ 2,114,328	\$ 180,070

* Strategic Capital Improvement Program (SCIP) Bonds

At December 31, 2018, the total general obligation bonds and notes payable of \$2,114 million are classified as current and long-term in the Statement of Net Position in the amounts of \$180 million and \$1,934 million, respectively.

Debt Service Requirements—The “debt service requirements” set forth in the following tables represent payments due the bondholders, as required by the respective bond agreements. The amounts do not represent sinking fund payments the RTA must deposit with the trustee.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Following is a summary of all debt service requirements (in thousands).

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 180,070	\$ 99,663	\$ 279,733
2020	271,470	88,452	359,922
2021	120,360	81,241	201,601
2022	126,605	74,605	201,210
2023	110,660	68,272	178,932
2024-2028	505,985	258,614	764,599
2029-2033	399,500	123,978	523,478
2034-2038	136,905	42,771	179,676
2039-2043	80,910	21,605	102,515
2044-2046	60,485	5,075	65,560
Total	<u>\$ 1,992,950</u>	<u>\$ 864,276</u>	<u>\$ 2,857,226</u>

All amounts in the debt service requirement tables below, and on the following pages, are expressed in thousands.

1990 General Obligation Bonds—In May 1990, the RTA issued \$100 million in General Obligation Bonds, Series 1990A, to establish a Capital Projects Fund to provide the source of paying costs of the Capital Program for the Service Boards.

The Series 1990A Bonds mature on November 1 over a thirty-year period and interest is payable at rates ranging from 6.00% to 7.30% on May 1, 1990 and semiannually thereafter on November 1 and May 1 in each remaining year.

Debt service requirements on the Series 1990A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 7,125	\$ 1,063	\$ 8,188
2020	7,640	550	8,190
Total	<u>\$ 14,765</u>	<u>\$ 1,613</u>	<u>\$ 16,378</u>

1991 General Obligation Bonds—In November 1991, the RTA issued \$100 million in General Obligation Bonds, Series 1991A, to replenish the Capital Projects Fund and to provide the source for paying costs of the Capital Program for the Service Boards.

The Series 1991A Bonds mature on November 1 over a thirty-year period and interest is payable at rates ranging from 4.85% to 6.55% on May 1, 1992 and semiannually thereafter on November 1 and May 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the 1991A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 6,445	\$ 1,384	\$ 7,829
2020	6,875	952	7,827
2021	7,335	491	7,826
Total	<u>\$ 20,655</u>	<u>\$ 2,827</u>	<u>\$ 23,482</u>

1994 General Obligation Bonds—In December 1994, the RTA issued \$62 million in General Obligation Bonds, Series 1994C, to pay for capital projects of the Service Boards required by the ADA for vehicle rehabilitation and the construction or renewal of support facilities. The RTA also issued \$130 million in General Obligation Bonds, Series 1994D, to pay for portions of the CTA's rehabilitation of the Green Line elevated structure, track replacement and repair or replacement of bus supporting services, and for Pace's construction of bus garages and purchase of new buses and paratransit vehicles.

The 1994C and 1994D Bonds mature on June 1 over a twenty-six year period and interest is payable at rates ranging from 5.30% to 7.75% on June 1, 1995 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 1994C and 1994D Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 10,040	\$ 662	\$ 10,702
2020	3,520	136	3,656
Total	<u>\$ 13,560</u>	<u>\$ 798</u>	<u>\$ 14,358</u>

1997 General Obligation Refunding Bonds—In September 1997, the RTA issued \$98 million in General Obligation Bonds, Series 1997, to provide funds to refund in advance of maturity the RTA's outstanding Series 1990A Bonds, maturing November 1 in the years 2001-2002, in the aggregate amount of \$4 million, Series 1991A Bonds, maturing November 1 in the years 2002-2006, 2008 and 2011, in the aggregate amount of \$29 million, Series 1992B Bonds, maturing June 1 in the years 2015 and 2022, in the aggregate amount of \$18 million and Series 1993B Bonds, maturing June 1 in the years 2004-2009, 2013 and 2023, in the aggregate amount of \$47 million.

The Series 1997 Refunding Bonds mature on June 1 over a twenty-six year period and interest is payable at rates ranging from 4.00% to 6.00% on December 1, 1997 and semiannually thereafter on June 1 and December 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 1997 Refunding bonds to maturity are set forth below:

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,765	\$ 1,324	\$ 6,089
2020	5,055	1,029	6,084
2021	5,375	716	6,091
2022	5,700	384	6,084
2023	3,550	107	3,657
Total	\$ 24,445	\$ 3,560	\$ 28,005

1999 General Obligation Refunding Bonds—In August 1999, the RTA issued \$299 million in General Obligation Bonds, Series 1999, to provide funds to refund in advance of maturity the RTA's outstanding Series 1992A Bonds, maturing June 1 in the years 2015 and 2022, in the aggregate amount of \$114 million, Series 1993A Bonds, maturing June 1 in the years 2009 and 2013, in the aggregate amount of \$10 million, Series 1994A Bonds, maturing June 1 in the years 2006-2009, 2012, 2015 and 2024, in the aggregate amount of \$143 million and Series 1994C Bonds, maturing June 1 in the year 2025, in the aggregate amount of \$22 million.

The Series 1999 Refunding Bonds mature on June 1 over a twenty-five year period and interest is payable at rates ranging from 5.00% to 6.00% on December 1, 1999 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 1999 Refunding Bonds to maturity are set forth below:

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 22,650	\$ 7,790	\$ 30,440
2020	23,980	6,450	30,430
2021	29,170	4,922	34,092
2022	30,890	3,195	34,085
2023	16,975	1,819	18,794
2024-2025	22,180	918	23,098
Total	\$ 145,845	\$ 25,094	\$ 170,939

2000 General Obligation Bonds—In June 2000, the RTA issued \$260 million in General Obligation Bonds, Series 2000A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2000A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.75% to 6.25% on January 1, 2001 and semiannually thereafter on July 1 and January 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 2000A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 9,405	\$ 10,329	\$ 19,734
2020	9,985	9,741	19,726
2021	10,605	9,117	19,722
2022	11,270	8,454	19,724
2023	11,975	7,750	19,725
2024-2028	72,120	26,202	98,322
2029-2030	35,595	3,506	39,101
Total	<u>\$ 160,955</u>	<u>\$ 75,099</u>	<u>\$ 236,054</u>

2001 General Obligation Bonds—In April 2001, the RTA issued \$100 million in General Obligation Bonds, Series 2001A, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2001A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 6.0% in January 2001 and semiannually thereafter on July 1 and January 1 in each remaining year.

Debt service requirements on the Series 2001A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 3,415	\$ 3,729	\$ 7,144
2020	3,610	3,542	7,152
2021	3,810	3,343	7,153
2022	4,025	3,134	7,159
2023	4,255	2,892	7,147
2024-2028	25,165	10,329	35,494
2029-2031	18,780	2,295	21,075
Total	<u>\$ 63,060</u>	<u>\$ 29,264</u>	<u>\$ 92,324</u>

In March 2001, the RTA issued \$38 million in General Obligation Bonds, Series 2001B, to provide funds to refund in advance of maturity the RTA's outstanding series 1993A Bonds, maturing June 1 in the years 2004-2008, in the aggregate amount of \$38 million.

The Series 2001B Refunding Bonds mature on June 1 over a twenty-three year period and interest is payable at rates ranging from 4.00% to 5.50% on June 1, 2001 and semiannually thereafter on June 1 and December 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 2001B Refunding Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 3,025	\$ 848	\$ 3,873
2020	3,195	678	3,873
2021	3,380	497	3,877
2022	3,570	306	3,876
2023	3,775	104	3,879
Total	<u>\$ 16,945</u>	<u>\$ 2,433</u>	<u>\$ 19,378</u>

2002 General Obligation Bonds—In March 2002, the RTA issued \$160 million in General Obligation Bonds, Series 2002A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2002A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 6.0% on July 1, 2002 and semiannually thereafter on January 1 and July 1 in each remaining year.

Debt service requirements on the Series 2002A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,140	\$ 6,388	\$ 11,528
2020	5,440	6,079	11,519
2021	5,755	5,753	11,508
2022	6,085	5,407	11,492
2023	6,440	5,042	11,482
2024-2028	38,240	18,949	57,189
2029-2032	39,360	6,070	45,430
Total	<u>\$ 106,460</u>	<u>\$ 53,688</u>	<u>\$ 160,148</u>

2003 General Obligation Bonds—In May 2003, the RTA issued \$260 million in General Obligation Bonds, Series 2003A, to pay the costs of construction, acquisition, repair and replacement of certain public transportation facilities for the Service Boards.

The Series 2003A Bonds mature on July 1 over a thirty-year period and interest is payable at rates ranging from 2.0% to 5.5% on January 1, 2004 and semiannually thereafter on January 1 and July 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 2003A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 8,145	\$ 10,522	\$ 18,667
2020	8,595	10,074	18,669
2021	9,070	9,601	18,671
2022	9,565	9,102	18,667
2023	10,095	8,576	18,671
2024-2028	59,130	33,753	92,883
2029-2033	76,375	14,216	90,591
Total	\$ 180,975	\$ 95,844	\$ 276,819

In January 2003, the RTA issued \$150 million in General Obligation Bonds, Series 2003B, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2003B Bonds mature on June 1 over a thirty-year period and interest is payable at rates ranging from 4.0% to 5.5% on June 1, 2003 and semiannually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2003B Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 4,695	\$ 5,738	\$ 10,433
2020	4,945	5,472	10,417
2021	5,215	5,193	10,408
2022	5,495	4,898	10,393
2023	5,790	4,588	10,378
2024-2028	33,985	17,659	51,644
2029-2033	44,190	6,619	50,809
Total	\$ 104,315	\$ 50,167	\$ 154,482

2004 General Obligation Bonds—In October 2004, the RTA issued \$260 million in General Obligation Bonds, Series 2004A, to pay the costs of construction, acquisition, repair, and replacement of certain public transportation facilities for the Service Boards.

The Series 2004A Bonds mature on June 1 over a thirty-year period and interest is payable at rates ranging from 5.0% to 5.75% on June 1, 2005 and semiannually thereafter on June 1 and December 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 2004A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 7,685	\$ 10,294	\$ 17,979
2020	8,100	9,860	17,960
2021	8,540	9,402	17,942
2022	9,000	8,919	17,919
2023	9,485	8,423	17,908
2024-2028	55,660	33,727	89,387
2029-2033	72,375	15,700	88,075
2034	16,900	486	17,386
Total	<u>\$ 187,745</u>	<u>\$ 96,811</u>	<u>\$ 284,556</u>

2005 General Obligation Bonds— In May 2005, the RTA issued \$148 million in General Obligation Bonds, Series 2005B, to provide funds to refund in advance of maturity the RTA's outstanding Series 1996A Bonds, maturing June 1 in the years 2005-2025, in the aggregate amount of \$147 million.

The Series 2005B Bonds mature on June 1 over a twenty-year period and interest is payable at variable rates which reset weekly based on current market rates.

Debt service requirements on the Series 2005B Refunding Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest*	Total
2019	\$ 4,955	\$ 2,713	\$ 7,668
2020	12,555	2,424	14,979
2021	13,190	1,999	15,189
2022	13,885	1,552	15,437
2023	14,615	1,082	15,697
2024-2025	25,485	754	26,239
Total	<u>\$ 84,685</u>	<u>\$ 10,524</u>	<u>\$ 95,209</u>

* Interest was calculated using a rate of 3.3%.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

2010 General Obligation Bonds—In January 2010, the RTA issued \$62.2 million in General Obligation Bonds, Series 2010A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities.

The Series 2010A Bonds mature on July 1, over a thirteen-year period and interest is payable at rates ranging from 4.00% to 5.00% on July 1, 2010 and annually thereafter on July 1 in each remaining year.

Debt service requirements on the Series 2010A Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,680	\$ 1,223	\$ 6,903
2020	5,960	940	6,900
2021	6,260	642	6,902
2022	6,575	329	6,904
Total	<u>\$ 24,475</u>	<u>\$ 3,134</u>	<u>\$ 27,609</u>

In January 2010, the RTA issued \$112.9 million in General Obligation Bonds, Series 2010B, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities.

The Series 2010B Bonds mature on July 1, over a twenty-five year period and interest is payable at rates ranging from 5.40% to 5.90% on July 1, 2010 and annually thereafter on July 1 in each remaining year.

Debt service requirements on the Series 2010B Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 6,621	\$ 6,621
2020	-	6,622	6,622
2021	-	6,622	6,622
2022	-	6,622	6,622
2023	6,885	6,622	13,507
2024-2028	38,465	27,097	65,562
2029-2033	46,385	14,916	61,301
2034-2035	21,190	1,919	23,109
Total	<u>\$ 112,925</u>	<u>\$ 77,041</u>	<u>\$ 189,966</u>

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

2011 General Obligation Bonds—In July 2011, the RTA issued \$95.6 million in General Obligation Bonds, Series 2011A, to pay when due, or refund in advance of their maturities a portion of the RTA's Outstanding General Obligation Bonds, Series 2002B maturing from 2013 through 2019 and to pay Costs of Issuance of the Series 2011A Bonds.

The Series 2011A Bonds mature on June 1, over an eight-year period and interest is payable at rates ranging from 4.00% to 5.00% on December 1, 2011 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2011A Bonds to maturity are set forth below:

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 15,500	\$ 388	\$ 15,888

2014 General Obligation Bonds – In February 2014, RTA issued \$99.3 million in General Obligation Bonds, Series 2014A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain transportation facilities.

The Series 2014A Bonds mature on June 1, over a thirty-year period and interest is payable at rates ranging from 3.00% to 5.00% on June 1, 2014 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2014A Bonds to maturity are set forth below:

<u>Year Ending</u> <u>December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,785	\$ 4,598	\$ 6,383
2020	1,875	4,507	6,382
2021	1,970	4,410	6,380
2022	2,070	4,310	6,380
2023	2,180	4,203	6,383
2024-2028	12,685	19,221	31,906
2029-2033	16,285	15,618	31,903
2034-2038	20,915	10,991	31,906
2039-2043	26,865	5,049	31,914
2044	6,225	156	6,381
Total	\$ 92,855	\$ 73,063	\$ 165,918

2016 General Obligation Bonds – In January 2016, the RTA issued \$95.5 million in General Obligation Bonds, Series 2016A, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities. To fund the Series 2016A Bonds Reserve Account and to pay Costs of Issuance of Series 2016A Bonds.

The Series 2016A Bonds mature on June 1, over a thirty-year period and interest is payable at rates ranging from 4.00% to 5.00% on June 1, 2016 and semi-annually thereafter on June 1 and December 1 in each remaining year.

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

Debt service requirements on the Series 2016A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 1,595	\$ 4,114	\$ 5,709
2020	1,675	4,033	5,708
2021	1,765	3,947	5,712
2022	1,855	3,856	5,711
2023	1,950	3,761	5,711
2024-2028	11,355	17,198	28,553
2029-2033	14,570	13,975	28,545
2034-2038	18,635	9,916	28,551
2039-2043	22,955	5,598	28,553
2044-2046	16,145	986	17,131
Total	\$ 92,500	\$ 67,384	\$ 159,884

2017 General Obligation Refunding Bond – In August 2017, the RTA issued \$191 million in General Obligation Bonds, Series 2017A, to provide funds to currently refund the RTA's outstanding Series 2006A Bonds maturing in the years 2019 through 2035, to fund the Series 2017A Bonds Reserve Account and to pay the costs of issuance of the refunding bonds.

The Series 2017A Bonds mature on and after July 1, 2028 and interest is payable at rates ranging from 4.00% to 5.00% on June 1, 2016 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on the Series 2017A Bonds to maturity are set forth below:

Year Ending December 31	Debt Service Requirements		
	Principal	Interest	Total
2019	\$ 5,935	\$ 9,089	\$ 15,024
2020	6,275	8,792	15,067
2021	6,615	8,479	15,094
2022	14,200	8,148	22,348
2023	10,145	7,438	17,583
2024-2028	96,685	25,582	122,267
2029-2033	16,540	8,051	24,591
2034-2035	34,810	1,858	36,668
Total	\$ 191,205	\$ 77,437	\$ 268,642

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

2017 Direct Placement – In December 2017, the RTA authorized the issuance of \$250 million two-year Direct Placement Working Cash Notes, Series 2017 (Taxable) with Wells Fargo Bank, National Association to provide funds to manage the cash flow needs of the RTA and the service boards, including the payment of existing RTA obligations (2016C Cash Note). During the year, the Authority issued \$100 million and redeemed \$200 million. As of December 31, 2018, \$50 million were outstanding. The balance outstanding is due in December 2019 plus interest payments due monthly at a variable rate based on LIBOR.

2018 Working Cash Notes – In April 2018, the RTA issued \$150 million Working Cash Notes, Series 2018 (Taxable) to provide funds to manage the cash flow needs of the RTA and the service boards, including the payment to the underwriters' discount on the Notes.

Debt service requirements on the Series 2018A Notes to maturity are set for below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 4,520	\$ 4,520
2020	150,000	352	150,352
Total	<u>\$ 150,000</u>	<u>\$ 4,872</u>	<u>\$ 154,872</u>

2018 General Obligation Bonds – In June 2018, the RTA issued \$139 million in General Obligation Bonds, Series 2018B, to finance a portion of the costs incurred in connection with the construction, acquisition, repair and replacement of certain public transportation facilities; as well as to pay costs of issuance of Series 2018B Bonds.

The Series 2018B Bonds mature on June 1, 2049 and interest is payable at rates ranging from 4.00% to 5.00% on December 1, 2018 and semi-annually thereafter on June 1 and December 1 in each remaining year.

Debt service requirements on Series 2018B Bonds to maturity are set forth below:

<u>Year Ending December 31</u>	<u>Debt Service Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 2,085	\$ 6,326	\$ 8,411
2020	2,190	6,219	8,409
2021	2,305	6,107	8,412
2022	2,420	5,989	8,409
2023	2,545	5,865	8,410
2024-2028	14,830	27,225	42,055
2029-2033	19,045	23,012	42,057
2034-2038	24,455	17,601	42,056
2039-2043	31,090	10,958	42,048
2044-2046	38,115	3,933	42,048
Total	<u>\$ 139,080</u>	<u>\$ 113,235</u>	<u>\$ 252,315</u>

NOTE 9. GENERAL OBLIGATION BONDS AND NOTES PAYABLE (Continued)

All the bonds are recorded as current and long-term liabilities, as applicable, of the governmental activities in the government-wide statement of net position, and are general obligations of the RTA to which the full faith and credit of the RTA are pledged. The bonds are payable from all revenues and all other funds received or held by the RTA (except amounts in the Joint Self-Insurance Fund and amounts required to be held or used with respect to separate ordinance obligations) that lawfully may be used for retiring the debt.

The bonds are secured by an assignment of a lien on the sales taxes imposed by the RTA. All sales tax receipts are to be paid directly to the trustee by officials of the State. If, for any reason, the required monthly debt service payment has not been made by the RTA, the trustee is to deduct it from the sales tax receipts. If all payments have been made, the funds are made available to the RTA for regular use.

Under the RTA Act, the Service Boards' fare box receipts and funds on hand are not available for payment of debt service.

In the Debt Service Fund, \$150 million in investments are available to service principal and interest payments of the RTA's long-term debt as of December 31, 2018.

NOTE 10. PENSION

Plan Description—Effective July 1, 1976, the RTA participates, along with Metra and Pace, in a cost-sharing multi-employer noncontributory defined benefit pension plan, the Regional Transportation Authority Pension Plan ("Plan"), covering substantially all employees not otherwise covered by a union pension plan. The responsibilities for establishing, administering, and amending the Plan are divided among a Board of Trustees, a Retirement Committee, a Plan Administrator, and the RTA Board of Directors ("Plan Administrators").

The Plan is classified as a "governmental plan" and is, therefore, generally exempt from the provisions of the Employee Retirement Income Security Act of 1974. The Internal Revenue Service has issued a letter of determination dated September 30, 1988 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code ("Code") and is, therefore, exempt from Federal income taxes under the provisions of Section 501(a) of the Code. The Plan operates on a calendar fiscal year.

Pension Benefits—Participants are entitled to annual pension benefits upon normal retirement at age 65. Such benefits are generally based on a percentage of the average annual compensation in the highest three years of service, whether consecutive or not, multiplied by the number of years of credited service.

The Plan provides that, upon retirement, benefits will be reduced by a defined percentage for participants who received credit for prior service with an eligible employer.

The Plan permits early retirement with reduced benefits at age 55 after completing ten years of credited service. As a result of the August 1, 1999 amendment to the Plan, participants may receive their full vested benefits if they are at least 55 years of age and their combined age at retirement and credited years of service equal eighty-five or higher (known as "Rule of Eighty Five Early Retirement").

The Plan provides for benefit payments to beneficiaries based on one of the payment methods selected by participants, as outlined in the Plan.

Disability Benefits—An employee is eligible for a disability pension if he or she becomes disabled after the completion of ten years of credited service, and is no longer receiving long-term disability benefits under a separate RTA benefit plan, or after reaching age 65, whichever is later.

NOTE 10. PENSION (Continued)

Contributions and Vesting —The Plan is funded solely by employer contributions, which are actuarially determined under the entry age actuarial cost method. Contributions to the plan from the Authority were \$2.4 million for the year ended December 31, 2018.

Participating employees do not contribute to the Plan. If participants terminate continuous service before rendering five years (ten years prior to January 1, 1987) of credited service, they forfeit the right to receive the portion of their accumulated benefits attributable to employer contributions. All forfeitures are applied to reduce the amount of contributions otherwise payable by the employer.

At December 31, 2018, the Authority reported a liability of \$1,770 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date, the Authority's proportion was 9.90%, which was a decrease of 0.50% from its proportion measured as of the prior year measurement date.

For the year ended December 31, 2018, the Authority recognized pension expense of \$927 thousand. At December 31, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (amounts in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 744	\$ -
Changes of assumptions	51	77
Net difference between projected and actual earnings on pension plan investments	-	572
Changes in proportion and differences between Authority contributions and proportionate share of contributions	1,662	2,400
Authority contributions subsequent to the measurement date	2,367	-
Total	<u>\$ 4,824</u>	<u>\$ 3,049</u>

The \$2,366 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over the average remaining service life of plan members or a fixed five year period as follows (amounts in thousands):

<u>Year ended December 31:</u>	<u>Amount</u>
2019	\$ (160)
2020	(357)
2021	60
2022	(148)
2023	13
Total	<u>\$ (592)</u>

NOTE 10. PENSION (amounts in thousands) (Continued)

Actuarial assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.25 percent to 8.75 percent including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP 2014 Employee Mortality Table, sex distinct, for pre-retirement mortality and the RP 2014 Healthy Annuitant Mortality table, sex distinct for post-retirement mortality. The assumed rate of investment return was adopted by the Plan's trustees after considering input from the Plan's investment consultant and actuary. Additional information about the assumed rate of investment return is included in the actuarial valuation report as of January 1, 2016 and experience study for the period January 1, 2009 through January 1, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These arithmetic real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of January 1, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate</u>
Domestic Equity	28.0 %	6.67%
Developed Foreign Equity	16.0 %	7.41%
Emerging Markets Equity	15.0 %	10.30%
Private Equity	4.0 %	10.48%
Investment Grade Bonds	11.0 %	1.25%
Long-Term Government Bonds	3.0 %	1.67%
TIPS	3.0 %	1.11%
High-Yield Bonds	3.0 %	4.29%
Emerging Markets Bonds (local)	2.0 %	3.49%
Emerging Markets Bonds (major)	2.0 %	3.02%
Real Estates	8.0 %	5.30%
Real Assets	5.0 %	4.65%

Discount rate. A single discount rate of 7.50% was used to measure the total pension liability. This single discount rate was based on the future expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at the actuarially determined contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10. PENSION (amounts in thousands) (Continued)

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate. The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate (amounts in thousands):

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Authority's proportionate share of the net pension liability	\$ 4,980	\$ 1,770	\$ (988)

Pension plan fiduciary net position. The complete Plan financial report, including all required disclosures can be obtained from the Plan Administrators at the following address:

Regional Transportation Authority Pension Plan
175 West Jackson Boulevard, Suite 1650
Chicago, IL 60604

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description. The Regional Transportation Authority's ("RTA") defined benefit OPEB plan, Retiree Medical Benefit Plan (RMBP or Plan) provides limited health care insurance coverage for its eligible retired employees. The Plan is a single-employer defined benefit OPEB plan administered by the executive director of the RTA. The RTA Board of Directors through ordinance grants the authority to establish and amend benefit terms and financing requirements to the executive director of the RTA. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided. The Plan provides limited healthcare insurance coverage for retirees. Retirees can retain coverage through COBRA if under the age of 65 under the same medical plans available to active employees. Once a retiree is Medicare eligible, retirees can seek supplemental Medicare coverage through Benistar, where they pay the full cost of Medicare coverage. Retirees can seek outside insurance and are eligible to receive \$78 monthly stipend (reimbursement) from the RTA. Dependent coverage ends at the same time as that of the retiree.

Employees Covered by Benefit Terms.

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	28
Inactive employees entitled to but not yet receiving benefit payments	8
Active employees	<u>117</u>
Total	<u><u>153</u></u>

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)***Total OPEB Liability***

The RTA's total OPEB liability of \$511 thousand was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent
Salary increases	2.5 percent, average, including inflation
Discount rate	Beginning of year 3.44 percent
	End of year 4.10 percent
Healthcare cost trend rates	2.6 percent for 2018, 6 percent for 2019 decreasing 0.5 percent in 2021 and 2023 to an ultimate rate of 5.0 percent for 2023 and later years

For plans that are not held in trust and have accumulated no assets, the discount rate used is the same as the tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average credit rating of AA as of the measurement date. For this valuation, the "The Bond Buyer 20-Year GO Index" was used.

Mortality Rates: Active IMRF Mortality follows Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment, with adjustments for mortality improvements using MP-2016 improvement rates.

Retirees and Spousal IMRF Mortality follows Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment, with adjustments for mortality improvements using MP-2014 improvement rates.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2011 through December 31, 20__.

Changes in the Total OPEB Liability (amounts in thousands)

Total OPEB Liability at December 31, 2017	\$ 540
Changes for the year:	
Service cost	19
Interest	18
Changes of benefit terms	-
Differences between expected and actuarial experience	-
Changes in assumptions or other inputs	(38)
Benefit payments	(28)
Net changes	(29)
Balances at December 31, 2018	\$ 511

Changes in assumptions or other inputs reflect the change in the discount rate. The beginning of year rate (3.44 percent) is the December 28, 2017 rate, and the end of year rate (4.10 percent) is the December 27, 2018 rate. The 20-Year GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and S&P's AA.

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.***

The following presents the total OPEB liability of the RTA, as well as what the RTA's total OPEB liability would be if it were calculated using a discount rate of 1-percentage-point lower (3.10 percent) or 1-percentage-point higher (5.10 percent) than the current discount rate (amounts in thousands):

	<u>1% Decrease (3.10%)</u>	<u>Discount Rate (4.10%)</u>	<u>1% Increase (5.10%)</u>
Total OPEB liability	\$ 570	\$ 511	\$ 461

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.

The following presents the total OPEB liability of the RTA, as well as what the RTA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (8.5 percent decreasing to 4.5 percent) or 1-percentage-point higher (10.5 percent decreasing to 6.5 percent) than the current healthcare cost trend rates (amounts in thousands):

	<u>1% Decrease (varies)</u>	<u>Healthcare Cost Trend Rates (varies)</u>	<u>1% Increase (varies)</u>
Total OPEB liability	\$ 450	\$ 511	\$ 586

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the RTA recognized OPEB expense of \$31 thousand. At December 31, 2018, the RTA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (amounts in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	32.1
Total	<u>\$ -</u>	<u>\$ 32.1</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (amounts in thousands):

<u>Year Ended December 31,</u>	<u>Amount</u>
2019	\$ 5.5
2020	5.5
2021	5.5
2022	5.5
2023	5.5
Thereafter	<u>4.6</u>
Total	<u>\$ 32.1</u>

NOTE 12. RISK MANAGEMENT

The RTA is exposed to various risks including, but not limited to, losses from workers' compensation, employee health insurance, and general liability/property. Commercial insurance coverage is procured to limit the RTA's exposure to such losses.

The Workers' Compensation and Employers' Liability Insurance Policy is held through The Hartford. The RTA is insured for \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease and \$500,000 policy limit. The RTA procured property, general liability, automobile, and umbrella insurance policies with Zurich American Insurance Company. Under these policies, the RTA is insured for \$1,000,000 each occurrence with a general aggregate limit of \$2,000,000, and a personal and advertising injury limit of \$1,000,000. The RTA also procured public officials and employment practices liability coverage through ACE American Insurance Company with an aggregate coverage limit of \$3,000,000; cyber liability coverage through Illinois Union Insurance Company with an aggregate coverage limit of \$3,000,000; and fidelity and crime coverage through Great American Insurance Group with an aggregate coverage limit of \$5,000,000. The RTA had no settlements in excess of this insurance coverage in the past three years. There have been no significant reductions in the amount of coverage from the prior year.

In addition, the RTA is a participant in RTA's Loss Financing Plan ("Plan") and Joint Self-Insurance Fund. The Fund was created as required by Article Two of the Plan with the RTA and the three Service Boards as participants. The Plan is intended primarily to serve as a mechanism for funding catastrophic losses and, by capitalizing the Fund in advance of such losses, to smooth their impact over time. The Fund is essentially a self-insurance program that provides a means for financing losses that are normally insured, and is included in the RTA's reporting entity as a proprietary fund type (enterprise fund). The Plan is administered by the RTA, CTA, Metra, and Pace ("Participating Entities") utilizing a Fund Manager appointed by the RTA and three Fund Advisors, one appointed by each of the Service Boards.

Each participating entity (RTA, CTA, Metra, and Pace) is only responsible to repay the Fund for submitted claims paid by the Fund. The Fund acts exclusively as a claims-service, and financing mechanism, not an insurer, with respect to claims presented.

The limit of liability to the Fund is established at \$50 million, subject to the availability of funds in the Fund, less the retained limit (deductible portion) as described below:

General Liability—The categories of general liability that are covered, with certain defined exclusions, by the joint agreement are:

- Personal injury
- Property damage
- Advertising injury
- Evacuation, evacuation expenses and loss of use

Further, the Plan purchases excess liability insurance on behalf of all four participating agencies, with self-insured retention limits of up to \$15,000,000 and coverage for losses from \$15,000,000 to \$100,000,000.

NOTE 12. RISK MANAGEMENT (Continued)

The retained limit (deductible portion) for each Participating Entity is:

	Amount (in thousands)
CTA	\$ 3,500
Metra	3,000
Pace	1,000
RTA	500

Director, Officer and Employee Liability—All directors, officers or employees of each Participating Entity are covered, with certain defined exclusions, by the Plan. The retained limits are \$100,000 for each Wrongful Act. If a loss is covered under both types of liability, then the retained limit for general liability will apply.

NOTE 13. COMMITMENTS AND CONTINGENCIES

The RTA has an operating lease agreement for its office facilities. In 2018, the total rent paid by the RTA was \$1,674,959. Minimum required annual rental payments by the RTA are as follows:

Year Ending December 31	Amount (in thousands)
2019	\$ 1,661
2020	1,596
2021	1,716
2022	1,749
2023	1,908
Thereafter	<u>1,631</u>
Total	<u><u>\$ 10,261</u></u>

NOTE 14. RESTATEMENT

In accordance with the Authority's adoption of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the other postemployment benefit (OPEB) liability, deferred outflows or resources, deferred inflows of resources, and OPEB expense have been recognized in the financial statements, see Note 11 for details. Therefore, the financial statements have been restated as of January 1, 2018 as follows:

	Governmental Activities
Net Position, December 31, 2017, as previously reported	\$ (1,552,968)
Reporting of total other postemployment benefit (OPEB) liability	(540)
Write-off of net other postemployment benefit (OPEB) obligation	<u>121</u>
Net Position, January 1, 2018, as restated	<u><u>\$ (1,553,387)</u></u>

The restatement does not include deferred inflows and outflows of resources related to the measurement of the total OPEB liability as permitted by Statement No. 75.

REQUIRED SUPPLEMENTARY INFORMATION

Regional Transportation Authority
RTA Pension Plan

Schedule of the Employer Contributions
(in Thousands)

	2018	2017	2016	2015
Contractually required contribution	\$ 1,066	\$ 1,048	\$ 991	\$ 1,644
Contributions in relation to the contractually required contribution	(2,366)	(2,348)	(2,291)	(1,644)
Contribution deficiency (excess)	\$ (1,300)	\$ (1,300)	\$ (1,300)	\$ -
Authority's covered payroll	\$ 9,301	\$ 9,221	\$ 9,183	\$ 8,984
Contributions as a percentage of covered payroll	25.44%	25.46%	24.95%	18.30%

Note: The RTA implemented GASB 68 in FY 2015. Information is not available prior to 2015. Additional years will be added to future reports as schedules are required to show 10 years of historical data.

**Regional Transportation Authority
RTA Pension Plan**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability
(Measurement Date December 31, 2017)
(in Thousands)**

	2018	2017	2016	2015
Authority's proportion of the net pension liability	9.90%	10.40%	11.00%	12.00%
Authority's proportionate share of the net pension liability	\$ 1,770	\$ 3,932	\$ 3,804	\$ 8,406
Authority's covered payroll	\$ 9,301	\$ 9,221	\$ 9,183	\$ 8,984
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	19.03%	42.64%	41.42%	93.56%
Plan fiduciary net position as a percentage of the total pension liability	94.32%	87.38%	87.67%	73.51%

Note: The RTA implemented GASB 68 in FY 2015. Information is not available prior to 2015. Additional years will be added to future reports as schedules are required to show 10 years of historical data.

**Regional Transportation Authority
RTA Other Postemployment Benefits (OPEB) Plan**

**Schedule of Changes in Total OPEB Liability and Related Ratios
(in Thousands)**

	2018
<i>Total OPEB liability</i>	
Service cost	\$ 19
Interest	18
Changes of assumptions or other inputs	(38)
Benefit payments	<u>(28)</u>
Net change in total OPEB liability	(29)
Total OPEB liability - beginning	<u>540</u>
Total OPEB liability - ending	<u><u>\$ 511</u></u>
Covered employee payroll	\$ 8,881
Total OPEB liability as a percentage of covered employee payroll	5.75%

Notes to Schedule:

The RTA implemented GASB 75 in FY 2018. Information is not available prior to 2018. Additional years will be added to future reports as schedules are required to show 10 years of historical data.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018	4.10 percent
2017	3.44 percent

REGIONAL TRANSPORTATION AUTHORITY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) BUDGET AND ACTUAL—GENERAL FUND
YEAR ENDED DECEMBER 31, 2018
(In Thousands)

	General Fund		
	Original Budget	Actual	Variance
REVENUES:			
Sales taxes	\$ 137,239	\$ 137,164	\$ (75)
Interest on sales taxes	100	1,074	974
Public Transportation Fund	215,895	215,739	(156)
Innovation, Coordination & Enhancement (ICE)	12,577	12,539	(38)
State assistance (AFA & ASA)	130,283	130,215	(68)
IDOT State Grant Pace (ADA)	8,500	7,975	(525)
Investment income	200	4,586	4,386
Other revenue	1,074	1,022	(52)
Total revenues	505,868	510,314	4,446
EXPENDITURES:			
Financial assistance to Service Boards	218,395	218,240	155
South Suburban Job Access Program	7,500	7,500	-
Innovation, Coordination & Enhancement (ICE)	12,577	12,538	39
IDOT State Cap Grant-PACE (ADA)	8,500	7,975	525
Administration	16,099	16,240	(141)
Non-administration:			
Regional services and coordination programs	16,358	15,065	1,293
Regional Technical Assistance Programs	1,230	5,349	(4,119)
Distributions to JSIF	2,999	2,999	-
Total expenditures	283,658	285,906	(2,248)
EXCESS OF REVENUES OVER EXPENDITURES—BUDGETARY BASIS	222,210	224,408	(2,198)
NET CHANGE IN FUND BALANCE— BUDGETARY BASIS	\$ 222,210	224,408	\$ 2,198
Budgetary basis to GAAP basis adjustments		(318,218)	
NET CHANGE IN FUND BALANCE—GAAP BASIS		(93,810)	
FUND BALANCE:			
Beginning of year		361,284	
End of year		\$ 267,474	

REGIONAL TRANSPORTATION AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED DECEMBER 31, 2018

Note 1. BUDGET AND BUDGETARY ACCOUNTING

The budgetary basis of the General Fund's budget and actual presentation is included as required supplementary information. For comparison of the combined budgets as required for board presentation, the combined schedule of revenues, expenditures, and changes in fund balance—budget and actual—in the general and the sales tax agency funds are presented in the combining and individual fund schedules section of the CAFR. Additional budget detail is used by management for monitoring purposes which is provided in this section as the schedule of expenditures—budget and actual—General Fund.

Section 4.01(a) of the Act requires the RTA to prepare and adopt a comprehensive annual budget and program presenting the RTA's planned operations and capital expenditures for the forthcoming year. The Service Boards' proposed budgets are based on the RTA's estimate of funds that will be available to the Service Boards by or through the RTA's own budget. This budget is comprehensive and includes the activity in the General Fund and sales tax agency fund.

The annual budget and related appropriations are prepared using the modified accrual basis of accounting in conformity with accounting principles generally accepted in the United States except for RTA capital expenditures and capital grants to the Service Boards. The RTA capital expenditures and capital grants to the Service Boards are budgeted on a project basis, which normally exceeds one year, and debt service payments, which are budgeted as transfers from the General Fund. Budgets for RTA capital expenditures and capital grants to the Service Boards that extend beyond one year are presented in the first year of the grants and represent the total amounts awarded. In addition, for the sales tax agency fund, additions and deletions are treated as revenues and expenditures. All appropriations lapse at year-end.

Although appropriations are adopted for individual line items, the legal level of control (i.e., the level at which appropriation transfers or expenditures in excess of appropriated amounts require RTA Board approval) is restricted to total appropriations/expenditures and total administration appropriations/expenditures. Management has the authority to exceed any line item appropriation without Board approval, provided it does not exceed the total appropriations/expenditures and the total administration appropriations/expenditures. It had previously been the policy of the RTA (ordinance 91-9) to fund the budgets of the Service Boards up to the amount appropriated in the annual Budget Ordinance. However, this policy was rescinded by ordinance 2015-55, which also rescinded the provision of the RTA funding policy adopted by Ordinance 98-15 that required the RTA annual budget and two-year financial plan to show a year-end unassigned fund balance equal to 5% of RTA operating expenditures by no later than the end of the three-year planning period. The Service Boards now maintain their own fund balance and reserve plans.

The Service Boards shall maintain all financial records and shall prepare all financial statements and reports, including quarterly and annual reports required under the Act, in accordance with the following provisions:

- The first source of funds to be credited against the budgeted funding amount is from Service Board sales tax receipts;
- The second source of funds to be credited against the budgeted funding amount is from PTF receipts; and
- The third source of funds credited against the budgeted funding amount is from unallocated RTA sales tax receipts and other discretionary receipts.

Note 1. BUDGET AND BUDGETARY ACCOUNTING (Continued)

The reimbursement of Service Boards' capital expenditures and the payment of PTF funds, unallocated RTA sales tax receipts and other discretionary funds of the RTA shall be made under the terms and conditions of grant agreements governing such expenditures.

Note 2. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS ACCOUNTING

The accompanying schedule of revenues, expenditures, and changes in fund balance, budget and actual-general fund (this section), and combining schedule of revenues, expenditures and changes in fund balance-budget and actual-general and agency funds (in combining and individual fund schedules section) present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ with accounting principles generally accepted in the United States of America, a reconciliation of timing differences in the excess of revenues over expenditures and other financing uses is presented below:

	<u>General Fund (in thousands)</u>
Net change in fund balance - budgetary basis	<u>\$ 224,408</u>
Adjustments:	
Capital grant expenditures incurred in current year but considered in prior years' budgets	(1,238)
RTA capital expenditures expected to be incurred in future years but considered in current year operating budget	(810)
Capital grants received that were not in the budget	157,388
Capital grants disbursed to the Service Boards/Others that were not in the budget	(155,481)
Net transfers in and out between the General Fund and Debt Service Fund not in the budget	<u>(318,077)</u>
Budgetary basis to GAAP basis adjustments	<u>(318,218)</u>
Net change in fund balance - GAAP basis	<u><u>\$ (93,810)</u></u>

COMBINING AND INDIVIDUAL FUND SCHEDULES

A. GENERAL FUND

The general fund is used to account for resources traditionally associated with the RTA which are not accounted for in another fund. A budget and actual schedule of general fund expenditures is presented in this section.

The RTA Board approves a comprehensive budget which includes the activity in the general fund and the sales tax agency fund. For comparison of the combined budgets, the combined budget and actual schedule of revenues, expenditures and changes in fund balance for both funds is also presented in this section.

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REGIONAL TRANSPORTATION AUTHORITY

SCHEDULE OF EXPENDITURES (BUDGETARY BASIS) —
BUDGET AND ACTUAL — GENERAL FUND
YEAR ENDED DECEMBER 31, 2018
(In Thousands)

	General Fund		
	Budget	Actual	Variance
EXPENDITURES:			
Financial assistance to Service Boards	\$ 218,395	\$ 218,240	\$ 155
South Suburban Job Access Program (PACE)	7,500	7,500	-
Innovation, Coordination & Enhancement (ICE)	12,577	12,538	39
IDOT State Cap Grant - PACE (ADA)	8,500	7,975	525
Administration	16,099	16,240	(141)
Non-administration:			
Regional Services and Coordination Programs	16,358	15,065	1,293
Regional Technical Assistance Programs	1,230	5,349	(4,119)
Distributions to JSIF	2,999	2,999	-
TOTAL EXPENDITURES	<u>\$ 283,658</u>	<u>\$ 285,906</u>	<u>\$ (2,248)</u>

REGIONAL TRANSPORTATION AUTHORITY

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) BUDGET AND ACTUAL—GENERAL AND SALES TAX AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2018
(In Thousands)**

	General Fund		
	Budget	Actual	Variance
REVENUES:			
Sales taxes	\$ 137,239	\$ 137,164	\$ (75)
Interest on sales taxes	100	1,074	974
Public Transportation Fund	215,895	215,739	(156)
Innovation, Coordination & Enhancement (ICE)	12,577	12,539	(38)
State assistance (AFA & ASA)	130,283	130,215	(68)
Reduced fare reimbursement	-	-	-
IDOT State Grant -PACE (ADA)	8,500	7,975	(525)
Investment income	200	4,586	4,386
Other revenue	1,074	1,022	(52)
Total revenues	505,868	510,314	4,446
EXPENDITURES:			
Financial assistance to Service Boards	218,395	218,240	155
PTF (new sales tax/RETT)	-	-	-
Paratransit funding - PACE	-	-	-
Suburban Community Mobility Fund	-	-	-
South Suburban Job Access Program	7,500	7,500	-
Innovation, Coordination & Enhancement (ICE)	12,577	12,538	39
Reduced fare reimbursement	-	-	-
IDOT State Cap Grant-PACE (ADA)	8,500	7,975	525
Administration	16,099	16,240	(141)
Non-administration:			
Regional services and coordination programs	16,358	15,065	1,293
Regional Technical Assistance Program	1,230	5,349	(4,119)
Interest on sales taxes to Service Boards	-	-	-
Distributions to JSIF	2,999	2,999	-
Total expenditures	283,658	285,906	(2,248)
EXCESS OF REVENUES OVER EXPENDITURES—BUDGETARY BASIS	\$ 222,210	224,408	\$ 2,198
Budgetary basis to GAAP basis adjustments		(318,218)	
NET CHANGE IN FUND BALANCE—GAAP BASIS		(93,810)	
FUND BALANCE:			
Beginning of year		361,284	
End of year		\$ 267,474	

Sales Tax Agency Fund			Totals		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 1,085,939	\$ 1,087,636	\$ 1,697	\$ 1,223,178	\$ 1,224,800	\$ 1,622
200	1,545	1,345	300	2,619	2,319
152,515	152,627	112	368,410	368,366	(44)
-	-	-	12,577	12,539	(38)
-	-	-	130,283	130,215	(68)
34,070	16,692	(17,378)	34,070	16,692	(17,378)
-	-	-	8,500	7,975	(525)
-	-	-	200	4,586	4,386
-	-	-	1,074	1,022	(52)
1,272,724	1,258,500	(14,224)	1,778,592	1,768,814	(9,778)
901,815	900,440	1,375	1,120,210	1,118,680	1,530
152,515	152,627	(112)	152,515	152,627	(112)
158,970	162,119	(3,149)	158,970	162,119	(3,149)
25,153	25,077	76	25,153	25,077	76
-	-	-	7,500	7,500	-
-	-	-	12,577	12,538	39
34,070	16,692	17,378	34,070	16,692	17,378
-	-	-	8,500	7,975	525
-	-	-	16,099	16,240	(141)
-	-	-	16,358	15,065	1,293
-	-	-	1,230	5,349	(4,119)
200	1,545	(1,345)	200	1,545	(1,345)
-	-	-	2,999	2,999	-
1,272,723	1,258,500	14,223	1,556,381	1,544,406	11,975
\$ -	-	\$ -	\$ 222,211	224,408	\$ 2,197
-	-	-	-	(318,218)	-
-	-	-	-	(93,810)	-
-	-	-	-	361,284	-
\$ -	-	-	\$ -	\$ 267,474	-

B. DEBT SERVICE FUND

Debt Service Fund Accounts:

1990A—to account for transfers received, investment income and principal and interest payments made for 1990A general obligation bonds.

1991A—to account for transfers received, investment income and principal and interest payments made for 1991A general obligation bonds.

*1994C * and D*—to account for transfers received, investment income and principal and interest payments made for 1994C & D general obligation bonds.

1997—to account for transfers received, investment income and principal and interest payments made for 1997 refunding general obligation bonds.

1999—to account for transfers received, investment income and principal and interest payments made for 1999 refunding general obligation bonds.

*2000A**—to account for transfers received, investment income and principal and interest payments made for 2000A general obligation bonds.

*2001A**—to account for transfers received, investment income and principal and interest payments made for 2001A general obligation bonds.

*2001B**—to account for transfers received, investment income and principal and interest payments made for 2001B refunding general obligation bonds.

*2002A**—to account for transfers received, investment income and principal and interest payments made for 2002A general obligation bonds.

*2003A** —to account for transfers received, investment income and principal and interest payments made for 2003A refunding general obligation bonds.

2003B—to account for transfers received, investment income and principal and interest payments made for 2003B refunding general obligation bonds.

*2004A** — to account for transfers received, investment income and principal and interest payments made for 2004A refunding general obligation bonds.

2005B—to account for transfers received, investment income and principal and interest payments made for 2005B refunding general obligation bonds.

*2006A**—to account for transfers received, investment income and principal and interest payments made for 2006A general obligation bonds.

2010A —to account for transfers received, investment income and principal and interest payments made for 2010A general obligation bonds.

2010B —to account for transfers received, investment income and principal and interest payments made for 2010B general obligation bonds.

2011A –to account for transfers received, investment income and principal and interest payments made for 2011A cash note borrowings.

2014A – to account for transfers received, investment income and principal and interest payments made for 2014A general obligation bonds.

2016A –to account for transfers received, investment income and principal and interest payments made for 2016A general obligation bonds.

2016A –to account for transfers received, investment income and principal and interest payments made for 2016A direct placement cash note borrowings.

2016C –to account for transfers received, investment income and principal and interest payments made for 2016C cash note borrowings.

2017A –to account for transfers received, investment income and principal and interest payments made for 2017 refunding general obligation bonds.

2017B –to account for transfers received, investment income and principal and interest payments made for 2017B direct placement cash note borrowings.

2018A- to account for transfers received, investment income and principal and interest payments made for 2018A cash note borrowings.

2018B –to account for transfers received, investment income and principal and interest payments made for 2018B general obligation bonds.

*Strategic Capital Improvement Program (SCIP) Bonds

REGIONAL TRANSPORTATION AUTHORITY

COMBINING BALANCE SHEET SCHEDULE-DEBT SERVICE FUND ACCOUNTS

December 31, 2018

(In Thousands)

	1990A	1991A	1994 C&D	1997	1999	2000A	2001 A	2001 B	2002 A	2003 A	2003 B	2004 A
ASSETS:												
Cash and investments	\$ 1,542	\$ 1,449	\$ 6,497	\$ 3,181	\$ 15,232	\$ 10,306	\$ 3,732	\$ 2,019	\$ 6,004	\$ 9,715	\$ 3,588	\$ 5,526
Accrued interest	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,542</u>	<u>\$ 1,449</u>	<u>\$ 6,497</u>	<u>\$ 3,181</u>	<u>\$ 15,232</u>	<u>\$ 10,306</u>	<u>\$ 3,732</u>	<u>\$ 2,019</u>	<u>\$ 6,004</u>	<u>\$ 9,715</u>	<u>\$ 3,588</u>	<u>\$ 5,526</u>
LIABILITIES:												
Accrued items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES:												
Restricted for debt service	<u>1,542</u>	<u>1,449</u>	<u>6,497</u>	<u>3,181</u>	<u>15,232</u>	<u>10,306</u>	<u>3,732</u>	<u>2,019</u>	<u>6,004</u>	<u>9,715</u>	<u>3,588</u>	<u>5,526</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,542</u>	<u>\$ 1,449</u>	<u>\$ 6,497</u>	<u>\$ 3,181</u>	<u>\$ 15,232</u>	<u>\$ 10,306</u>	<u>\$ 3,732</u>	<u>\$ 2,019</u>	<u>\$ 6,004</u>	<u>\$ 9,715</u>	<u>\$ 3,588</u>	<u>\$ 5,526</u>

(Continued)

REGIONAL TRANSPORTATION AUTHORITY

COMBINING BALANCE SHEET SCHEDULE-DEBT SERVICE FUND ACCOUNTS (Continued)

December 31, 2018

(In Thousands)

	2005 B	2006A	2010A	2010B	2011A	2014A	2016A Bonds	2016C	2017A	2017B	2018A	2018B	Total
ASSETS:													
Cash and investments	\$ 3,251	\$ -	\$ 8,521	\$ 13,158	\$ 11,105	\$ 8,033	\$ 7,175	\$ -	\$ 27,505	\$ 119	\$ 904	\$ 1,906	\$ 150,468
Accrued interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 3,251</u>	<u>\$ -</u>	<u>\$ 8,521</u>	<u>\$ 13,158</u>	<u>\$ 11,105</u>	<u>\$ 8,033</u>	<u>\$ 7,175</u>	<u>\$ -</u>	<u>\$ 27,505</u>	<u>\$ 119</u>	<u>\$ 904</u>	<u>\$ 1,906</u>	<u>\$ 150,468</u>
LIABILITIES:													
Accrued items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES:													
Restricted for debt service	3,251	-	8,521	13,158	11,105	8,033	7,175	-	27,505	119	904	1,906	150,468
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,251</u>	<u>\$ -</u>	<u>\$ 8,521</u>	<u>\$ 13,158</u>	<u>\$ 11,105</u>	<u>\$ 8,033</u>	<u>\$ 7,175</u>	<u>\$ -</u>	<u>\$ 27,505</u>	<u>\$ 119</u>	<u>\$ 904</u>	<u>\$ 1,906</u>	<u>\$ 150,468</u>

REGIONAL TRANSPORTATION AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 DEBT SERVICE FUND ACCOUNTS
 YEAR ENDED DECEMBER 31, 2018
 (In Thousands)

	1990A	1991A	1994 C&D	1997
REVENUE:				
Investment income	\$ 1	\$ -	\$ 10	\$ 5
Total revenue	1	-	10	5
EXPENDITURES:				
Debt Service - principal	6,645	6,040	9,295	4,485
Debt Service - interest	1,542	1,789	1,411	1,601
Other debt related costs	-	-	-	-
Total expenditures	8,187	7,829	10,706	6,086
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,186)	(7,829)	(10,696)	(6,081)
OTHER FINANCING SOURCES (USES):				
Issuance of debt	-	-	-	-
Premium on issuance of debt	-	-	-	-
Transfers in - principal	6,732	6,114	9,769	4,663
Transfers in - interest	1,446	1,708	1,330	1,569
Transfers in/(out) - CPF	-	-	-	-
Transfers in/(out) - GF	-	-	-	-
Transfers in/(out) - DSF	-	-	-	-
Total other financing sources (uses)	8,178	7,822	11,099	6,232
NET CHANGE IN FUND BALANCES	(8)	(7)	403	151
FUND BALANCES:				
Beginning of year	1,550	1,456	6,094	3,030
End of year	\$ 1,542	\$ 1,449	\$ 6,497	\$ 3,181

(Continued)

REGIONAL TRANSPORTATION AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 DEBT SERVICE FUND ACCOUNTS (Continued)
 YEAR ENDED DECEMBER 31, 2018
 (In Thousands)

	1999	2000 A	2001 A	2001 B	2002 A
REVENUE:					
Investment income	\$ 27	\$ 18	\$ 7	\$ 3	\$ 11
Total revenue	27	18	7	3	11
EXPENDITURES:					
Debt Service - principal	21,400	8,860	3,230	2,865	4,860
Debt Service - interest	9,056	10,882	3,907	1,011	6,679
Other debt related costs	-	-	-	-	-
Total expenditures	30,456	19,742	7,137	3,876	11,539
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(30,429)	(19,724)	(7,130)	(3,873)	(11,528)
OTHER FINANCING SOURCES (USES):					
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Transfers in - principal	22,195	9,157	3,331	2,967	5,012
Transfers in - interest	8,908	10,588	3,812	992	6,523
Transfers in/(out) - CPF	-	-	-	-	-
Transfers in/(out) - GF	-	-	-	-	-
Transfers in/(out) - DSF	(40)	-	-	-	-
Total other financing sources (uses)	31,063	19,745	7,143	3,959	11,535
NET CHANGE IN FUND BALANCES	634	21	13	86	7
FUND BALANCES:					
Beginning of year	14,598	10,285	3,719	1,933	5,997
End of year	\$ 15,232	\$ 10,306	\$ 3,732	\$ 2,019	\$ 6,004

(Continued)

REGIONAL TRANSPORTATION AUTHORITY

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DEBT SERVICE FUND ACCOUNTS (Continued)
YEAR ENDED DECEMBER 31, 2018
(In Thousands)**

	2003 A	2003 B	2004A	2005 B	2006 A
REVENUE:					
Investment income	\$ 17	\$ 10	\$ 82	\$ 10	\$ 40
Total revenue	17	10	82	10	40
EXPENDITURES:					
Debt Service - principal	7,720	4,455	7,295	4,735	5,970
Debt Service - interest	10,946	5,989	10,714	1,410	299
Other debt related costs	-	-	-	66	-
Total expenditures	18,666	10,444	18,009	6,211	6,269
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(18,649)	(10,434)	(17,927)	(6,201)	(6,229)
OTHER FINANCING SOURCES (USES):					
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Transfers in - principal	7,952	4,607	7,543	4,875	2,714
Transfers in - interest	10,717	(452)	10,090	1,408	41
Transfers in/(out) - CPF	-	6,404	-	-	106
Transfers in/(out) - GF	-	-	-	66	-
Transfers in/(out) - DSF	-	-	40	-	(63)
Total other financing sources (uses)	18,669	10,559	17,673	6,349	2,798
NET CHANGE IN FUND BALANCES	20	125	(254)	148	(3,431)
FUND BALANCES:					
Beginning of year	9,695	3,463	5,780	3,103	3,431
End of year	\$ 9,715	\$ 3,588	\$ 5,526	\$ 3,251	\$ -

(Continued)

REGIONAL TRANSPORTATION AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 DEBT SERVICE FUND ACCOUNTS (Continued)
 YEAR ENDED DECEMBER 31, 2018
 (In Thousands)

	2010 A	2010 B	2011A	2014A	2016A
REVENUE:					
Investment income	\$ 85	\$ 2,307	\$ 14	\$ 91	\$ 82
Total revenue	85	2,307	14	91	82
EXPENDITURES:					
Debt Service - principal	5,405	-	14,810	1,705	1,520
Debt Service - interest	1,494	6,622	1,145	4,677	4,192
Other debt related costs	-	-	-	-	-
Total expenditures	6,899	6,622	15,955	6,382	5,712
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,814)	(4,315)	(15,941)	(6,291)	(5,630)
OTHER FINANCING SOURCES (USES):					
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Transfers in - principal	5,555	-	15,249	1,756	1,568
Transfers in - interest	1,229	4,263	1,058	4,386	3,449
Transfers in/(out) - CPF	60	115	-	225	686
Transfers in/(out) - GF	-	-	-	-	-
Transfers in/(out) - DSF	-	-	-	-	-
Total other financing sources (uses)	6,844	4,378	16,307	6,367	5,703
NET CHANGE IN FUND BALANCES	30	63	366	76	73
FUND BALANCES:					
Beginning of year	8,491	13,095	10,739	7,957	7,102
End of year	\$ 8,521	\$ 13,158	\$ 11,105	\$ 8,033	\$ 7,175

(Continued)

REGIONAL TRANSPORTATION AUTHORITY

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
DEBT SERVICE FUND ACCOUNTS (Continued)
YEAR ENDED DECEMBER 31, 2018
(In Thousands)**

	<u>2016C Note</u>	<u>2017A</u>	<u>2017B Note</u>	<u>2018A Note</u>	<u>2018B</u>	<u>Total</u>
REVENUE:						
Investment income	\$ 52	\$ 549	\$ 94	\$ 7	\$ 17	\$ 3,539
Total revenue	52	549	94	7	17	3,539
EXPENDITURES:						
Debt Service - principal	150,000	-	200,000	-	-	471,295
Debt Service - interest	1,110	8,104	3,287	1,896	2,835	102,598
Other debt related costs	-	3	162	278	1,059	1,568
Total expenditures	151,110	8,107	203,449	2,174	3,894	575,461
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(151,058)	(7,558)	(203,355)	(2,167)	(3,877)	(571,922)
OTHER FINANCING SOURCES (USES):						
Issuance of debt	-	-	100,000	150,000	-	250,000
Premium on issuance of debt	-	-	-	-	-	-
Transfers in - principal	-	3,238	-	-	1,251	126,248
Transfers in - interest	374	9,026	3,144	2,793	2,987	91,389
Transfers in/(out) - CPF	-	-	-	-	1,545	9,141
Transfers in/(out) - GF	49,934	-	85,162	(34,722)	-	100,440
Transfers in/(out) - DSF	100,000	63	15,000	(115,000)	-	-
Total other financing sources (uses)	150,308	12,327	203,306	3,071	5,783	577,218
NET CHANGE IN FUND BALANCES	(750)	4,769	(49)	904	1,906	5,296
FUND BALANCES:						
Beginning of year	750	22,736	168	-	-	145,172
End of year	\$ -	\$ 27,505	\$ 119	\$ 904	\$ 1,906	\$ 150,468

C. CAPITAL PROJECTS FUND

Capital Projects Fund Accounts:

Strategic Capital Improvement Bonds (SCIP)—to account for 1992, 1994, 2000, 2001, 2002, 2003, 2004 and 2006 bond sales proceeds and related SCIP capital grants made to the Service Boards as expenditures are incurred. Investment income earned on SCIP bonds is recorded in the related Debt Service Fund accounts.

Non-SCIP Bonds—to account for 1990, 1991, 1992, 1994, 2002, 2010, 2014, 2016, and 2017 bond sale proceeds, investment income earned and related Non-SCIP investment income capital grants made to the Service Boards as expenditures are incurred.

Investment Income on Bonds—to account for transfers of investment income from SCIP Bonds fund accounts through June 30, 1999 and Non-SCIP Bonds fund accounts except those issued under Illinois First program and related capital grants made to the Service Boards as expenditures are incurred.

REGIONAL TRANSPORTATION AUTHORITY

COMBINING BALANCE SHEET SCHEDULE
 CAPITAL PROJECTS FUND ACCOUNTS
 DECEMBER 31, 2018
 (In Thousands)

	SCIP Bonds	Non-SCIP Bonds	Total
ASSETS:			
Cash and investments	\$ 13,636	\$ 233,050	\$ 246,686
Due from other funds	2	145	147
TOTAL ASSETS	<u>\$ 13,638</u>	<u>\$ 233,195</u>	<u>\$ 246,833</u>
LIABILITIES:			
Due to Service Boards	\$ 593	\$ 25,607	\$ 26,200
Total liabilities	593	25,607	26,200
FUND BALANCES:			
Committed-capital projects	13,045	207,588	220,633
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 13,638</u>	<u>\$ 233,195</u>	<u>\$ 246,833</u>

REGIONAL TRANSPORTATION AUTHORITY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
CAPITAL PROJECTS FUND ACCOUNTS

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

	SCIP Bonds	Non-SCIP Bonds	Total
REVENUES:			
Intergovernmental	\$ -	\$ 22,784	\$ 22,784
Investment income	225	1,661	1,886
Total revenues	225	24,445	24,670
EXPENDITURES:			
Capital grants—bonds	1,516	43,428	44,944
Total expenditures	1,516	43,428	44,944
Deficiency of revenues over expenditures	(1,291)	(18,983)	(20,274)
OTHER FINANCING SOURCES:			
Bond Proceeds	-	139,080	139,080
Bond Premium	-	11,996	11,996
Transfer out	(106)	(9,035)	(9,141)
Total other financing sources	(106)	142,041	141,935
NET CHANGE IN FUND BALANCES	(1,397)	123,058	121,661
FUND BALANCES:			
Beginning of year	14,442	84,530	98,972
End of year	\$ 13,045	\$ 207,588	\$ 220,633

D. AGENCY FUND

Sales Tax Agency Fund—to account for the receipt and disbursement of amounts due to the CTA, Metra and Pace, including Retailers' Occupation and Use Tax (sales taxes), interest on sales taxes, reduced fare reimbursement grants and advances to Service Boards.

Draft

REGIONAL TRANSPORTATION AUTHORITY

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

SALES TAX AGENCY FUND

YEAR ENDED DECEMBER 31, 2018

(In Thousands)

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
ASSETS:				
Intergovernmental receivables:				
Sales taxes	\$ 198,356	\$ 773,263	\$ 769,770	\$ 201,849
New sales tax	71,636	310,373	308,357	73,652
Interest on sales taxes	142	1,544	1,366	320
Due from General Fund	34,495	6,457	-	40,952
Reduced fare reimbursement	8,785	16,692	16,602	8,875
PTF (new sales tax/RETT)	73,419	152,627	158,328	67,718
Advances to Service Boards	86,736	1,194	-	87,930
Other Receivables	6	-	-	6
TOTAL ASSETS	\$ 473,575	\$ 1,262,150	\$ 1,254,423	\$ 481,302
LIABILITIES:				
Intergovernmental payables:				
Sales taxes due to Service Boards	\$ 198,356	\$ 773,263	\$ 769,770	\$ 201,849
New sales tax due to Service Boards	71,636	123,177	121,161	73,652
Interest on sales taxes due to Service Boards	142	1,544	1,366	320
Reduced fare reimbursement	8,785	16,692	16,602	8,875
PTF (new sales tax /RETT)	73,419	152,627	158,328	67,718
Advances from State	86,736	1,194	-	87,930
Paratransit funding PACE	-	162,119	162,119	-
Paratransit funding PACE-Future Years	34,501	6,457	-	40,958
Suburban Community Mobility Fund-SBD	-	25,077	25,077	-
TOTAL LIABILITIES	\$ 473,575	\$ 1,262,150	\$ 1,254,423	\$ 481,302

STATISTICAL SECTION (UNAUDITED)

CONTENTS

Financial Trends

(Tables 1, 2, 3, 4)

An analysis of Net Position by component, Change in Net Position, Governmental Fund Balances and Change in Fund Balances presented as an indicator of RTA's financial performance and to show the overall change in financial position over time.

Revenue and Expense Capacity

(Tables 5, 6, 7)

Revenues and expenditures presented in the following tables include the activities in the government-wide and fiduciary fund statements. Additions to and disbursements from the Sales Tax Agency Fund are considered to be revenues and expenditures, respectively, for the purpose of presentation in these tables. The schedules show the overall distribution of expenses and revenues by source over the past 10 years, the breakout of revenues by county and the federal allocation of capital funds.

Debt Capacity

(Tables 8, 9, 10, 11, 12)

Schedules in this section provide an overview of RTA's general obligation bonds (SCIP versus Non-SCIP) outstanding balances as of December 31, 2018 and a 10-year analysis of the debt service requirement to revenues and expenses.

Demographic and Economic Information

(Tables 13, 14, 15)

Schedules in this section provide economic information on the population and the ten largest employers in the six-county area to help readers understand the environment within which the RTA's financial activities take place.

Operating Information

(Tables 16, 17, 18)

Schedules in this section provide various statistics on passenger services offered by the service boards for fiscal year 2018, a look at system ridership over the last ten years and the RTA's full-time employees by function over the last five years.

STATISTICAL SECTION (UNAUDITED)

TABLE 1

**REGIONAL TRANSPORTATION AUTHORITY
NET POSITION BY COMPONENT
LAST TEN YEARS
(In Thousands)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities—										
Net investment in capital assets	\$ 12,660	\$ 15,265	\$ 14,491	\$ 14,809	\$ 14,359	\$ 11,524	\$ 11,692	\$ 3,590	\$ 2,786	\$ 2,697
Restricted Net Position	270,019	83,277	326,598	17,174	16,738	16,203	15,535	-	-	-
Unrestricted Net Position	(2,234,127)	(1,972,190)	(2,133,577)	(1,819,368)	(1,779,889)	(1,714,890)	(1,732,590)	(1,663,594)	(1,555,754)	(1,443,470)
Total Net Position—										
Governmental Activities	<u>\$ (1,951,448)</u>	<u>\$ (1,873,648)</u>	<u>\$ (1,792,488)</u>	<u>\$ (1,787,385)</u>	<u>\$ (1,748,792)</u>	<u>\$ (1,687,163)</u>	<u>\$ (1,705,363)</u>	<u>\$ (1,660,004)</u>	<u>\$ (1,552,968)</u>	<u>\$ (1,440,773)</u>
Business-type activities—										
Unrestricted Net Position	\$ 29,067	\$ 28,963	\$ 28,703	\$ 27,845	\$ 27,116	\$ 27,682	\$ 27,977	\$ 26,549	\$ 25,203	\$ 23,130
Total Net Position—										
Business-Type Activities	<u>\$ 29,067</u>	<u>\$ 28,963</u>	<u>\$ 28,703</u>	<u>\$ 27,845</u>	<u>\$ 27,116</u>	<u>\$ 27,682</u>	<u>\$ 27,977</u>	<u>\$ 26,549</u>	<u>\$ 25,203</u>	<u>\$ 23,130</u>
Primary government—										
Net investment in capital assets	\$ 12,660	\$ 15,265	\$ 14,491	\$ 14,809	\$ 14,359	\$ 11,524	\$ 11,692	\$ 3,590	\$ 2,786	\$ 2,697
Restricted Net Position	270,019	83,277	326,598	17,174	16,738	16,203	15,535	-	-	-
Unrestricted Net Position	(2,205,060)	(1,943,227)	(2,104,874)	(1,791,523)	(1,752,773)	(1,687,208)	(1,704,613)	(1,637,045)	(1,530,551)	(1,420,340)
Total Net Position—										
Primary government	<u>\$ (1,922,381)</u>	<u>\$ (1,844,685)</u>	<u>\$ (1,763,785)</u>	<u>\$ (1,759,540)</u>	<u>\$ (1,721,676)</u>	<u>\$ (1,659,481)</u>	<u>\$ (1,677,386)</u>	<u>\$ (1,633,455)</u>	<u>\$ (1,527,765)</u>	<u>\$ (1,417,643)</u>

**REGIONAL TRANSPORTATION AUTHORITY
CHANGE IN NET POSITION
LAST TEN YEARS
(In Thousands)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EXPENSES:										
Governmental activities:										
Financial assistance to Service Boards	\$ 93,453	\$ 97,648	\$ 128,786	\$ 171,700	\$ 196,116	\$ 200,500	\$ 225,805	\$ 225,231	\$ 216,457	\$ 218,240
Administration capital grants										
Discretionary	19,166	15,310	7,039	5,410	897	254	631	207	583	1,238
Bonds	47,957	103,456	229,890	213,394	472,874	306,026	341,462	213,155	245,937	192,831
Administration of operating grant										
CTA/PACE	74,138	27,230	21,680	36,687	52,974	27,440	57,061	48,287	30,112	35,030
Administrative expenses	12,014	8,551	8,918	16,507	19,079	17,002	16,079	20,342	19,270	18,756
Regional expenses	19,793	21,576	25,558	17,542	20,294	23,284	18,512	28,006	23,423	24,025
Technology program expenses	1,416	1,979	2,356	1,473	2,038	2,192	3,566	2,058	1,917	577
CTA loan write-off receivable	-	-	-	-	56,147	-	-	-	-	-
Interest expense	131,775	135,530	139,314	125,722	115,957	110,168	103,048	124,069	96,706	95,740
Miscellaneous	-	-	397	-	-	-	-	-	-	-
Total governmental activities	399,712	411,280	563,938	588,435	936,376	686,866	766,164	661,355	634,405	586,437
Business-type activities:										
Insurance financing	3,827	4,740	6,137	5,942	5,815	5,800	5,929	5,846	5,553	5,424
Total business-type activities	3,827	4,740	6,137	5,942	5,815	5,800	5,929	5,846	5,553	5,424
Total primary government expenses	\$ 403,539	\$ 416,020	\$ 570,075	\$ 594,377	\$ 942,191	\$ 692,666	\$ 772,093	\$ 667,201	\$ 639,958	\$ 591,861
REVENUES:										
General:										
Sales taxes	\$ 99,027	\$ 103,168	\$ 107,977	\$ 113,152	\$ 118,817	\$ 121,798	\$ 129,842	\$ 131,623	\$ 131,789	\$ 137,164
Interest on sales taxes	309	137	167	119	79	81	102	116	404	1,074
Operating grant -(ADA)	9,101	9,480	9,930	10,398	10,902	11,440	11,900	12,062	21,223	26,971
Public Transportation Fund	228,501	242,318	375,500	355,159	650,103	470,815	217,930	250,906	217,972	215,739
General State Revenue							285,143	147,315	222,643	147,567
State assistance	123,008	130,115	130,088	86,984	173,472	130,219	86,882	130,234	130,222	129,681
Regional program reimbursement	2,904	582	2,385	4,077	3,639	3,352	10,341	11,483	8,633	7,038
Other intergovernmental revenue	-	-	-	-	-	-	-	-	-	22,784
Investment income	39,174	8,607	19,350	22,213	20,769	10,474	9,472	19,150	8,331	10,011
Other revenues	1,437	2,269	5,081	6,436	2,188	6,644	8,394	3,825	224	1,022
Transfers (out)	(3,575)	(4,425)	(5,380)	(5,000)	(5,000)	(6,328)	(6,180)	-	-	-
Total governmental activities revenues	499,886	492,251	645,098	593,538	974,969	748,495	753,826	706,714	741,441	699,051
Business-type activities:										
General:										
Investment income	402	164	95	77	48	38	44	53	151	352
Other revenues	58	47	402	7	38	-	-	-	-	-
Transfers in	3,575	4,425	5,380	5,000	5,000	6,328	6,180	4,365	4,056	2,999
Total business-type activities revenues	4,035	4,636	5,877	5,084	5,086	6,366	6,224	4,418	4,207	3,351
Total primary government revenues	503,921	496,887	650,975	598,622	980,055	754,861	760,050	711,132	745,648	702,402
Governmental activities:										
CHANGES IN NET POSITION (DEFICIT)	100,174	80,971	81,160	5,103	38,593	61,629	(12,338)	45,359	107,036	112,614
NET POSITION (DEFICIT):										
Beginning of year, as restated	(1,829,123)	(1,732,120)	(1,651,149)	(1,569,989)	(1,564,886)	(1,526,293)	(1,693,025)	(1,705,363)	(1,660,004)	(1,553,387)
End of year	(1,732,120)	(1,651,149)	(1,569,989)	(1,564,886)	(1,526,293)	(1,464,664)	(1,705,363)	(1,660,004)	(1,552,968)	(1,440,773)
Business-type activities:										
CHANGES IN NET POSITION (DEFICIT)	208	(104)	(260)	(858)	(729)	566	295	(1,428)	(1,346)	(2,073)
NET POSITION (DEFICIT):										
Beginning of year	40,087	40,295	40,191	39,931	39,073	38,344	38,910	27,977	26,549	25,203
End of year	40,295	40,191	39,931	39,073	38,344	38,910	39,205	26,549	25,203	23,130
Total primary government	\$ (1,691,825)	\$ (1,610,958)	\$ (1,530,058)	\$ (1,525,813)	\$ (1,487,949)	\$ (1,425,754)	\$ (1,666,158)	\$ (1,633,455)	\$ (1,527,765)	\$ (1,417,643)
CHANGE IN NET POSITION:										
Governmental activities	\$ 100,174	\$ 80,971	\$ 81,160	\$ 5,103	\$ 38,593	\$ 61,629	\$ (12,338)	\$ 45,359	\$ 107,036	\$ 112,614
Business-type activities	208	(104)	(260)	(858)	(729)	566	295	(1,428)	(1,346)	(2,073)
Total primary government	\$ 100,382	\$ 80,867	\$ 80,900	\$ 4,245	\$ 37,864	\$ 62,195	\$ (12,043)	\$ 43,931	\$ 105,690	\$ 110,541

STATISTICAL SECTION (UNAUDITED)

TABLE 3

REGIONAL TRANSPORTATION AUTHORITY
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(In Thousands)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 155,551	\$ 160,895	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	(27,893)	7,318	-	-	-	-	-	-	-	-
Nonspendable ⁽¹⁾	-	-	568	327	3	-	-	-	-	-
Restricted ⁽¹⁾	-	-	28,740	17,173	16,738	16,203	15,535	-	197,227	91,458
Committed ⁽¹⁾	-	-	157,345	204,895	193,745	212,642	188,497	228,118	234,494	239,932
Assigned ⁽¹⁾	-	-	-	-	93,363	8,888	42,312	-	-	-
Unassigned ⁽¹⁾	-	-	98,376	176,554	9,110	4,443	3,455	(17,610)	(70,437)	(63,916)
Total general fund balances	<u>\$ 127,658</u>	<u>\$ 168,213</u>	<u>\$ 285,029</u>	<u>\$ 398,949</u>	<u>\$ 312,959</u>	<u>\$ 242,176</u>	<u>\$ 249,799</u>	<u>\$ 210,508</u>	<u>\$ 361,284</u>	<u>\$ 267,474</u>
All other governmental funds										
Reserved	\$ 468,582	\$ 756,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted ⁽¹⁾	-	-	297,858	158,469	188,333	211,498	193,036	122,938	145,172	150,468
Committed ⁽¹⁾	-	-	208,301	179,063	132,671	177,283	111,005	120,443	98,972	220,633
Total all other governmental funds	<u>\$ 468,582</u>	<u>\$ 756,233</u>	<u>\$ 506,159</u>	<u>\$ 337,532</u>	<u>\$ 321,004</u>	<u>\$ 388,781</u>	<u>\$ 304,041</u>	<u>\$ 243,381</u>	<u>\$ 244,144</u>	<u>\$ 371,101</u>

(1) New fund balance categories used in FY11 due to the implementation of GASB 54

STATISTICAL SECTION (UNAUDITED)

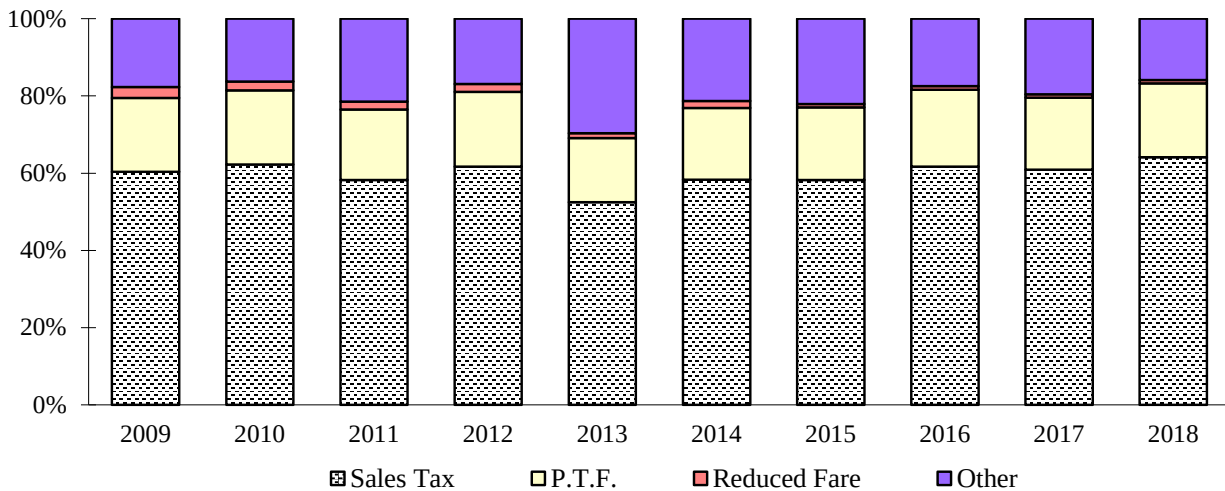
TABLE 4

REGIONAL TRANSPORTATION AUTHORITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(In Thousands)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES:										
Sales taxes	\$ 99,027	\$ 103,168	\$ 107,977	\$ 113,152	\$ 118,817	\$ 121,798	\$ 129,842	\$ 131,623	\$ 131,789	\$ 137,164
Interest on sales taxes	309	137	166	119	79	82	102	116	404	1,074
Public Transportation Fund	169,354	171,169	181,428	189,523	198,640	210,013	217,930	221,621	212,643	215,739
New 5% PTF Advance Recovery	-	-	-	-	-	-	-	-	-	-
General State Revenue	-	65,149	194,072	155,369	441,191	245,298	285,143	147,314	222,643	147,567
Innovation, Coordination, & Enhancement (ICE)	9,101	9,480	9,930	10,398	10,902	11,439	11,900	12,062	12,070	12,539
Operating assistance -CTA/PACE	-	-	-	-	-	-	-	-	-	-
PACE Loan PTF Advance Recovery	3,000	6,000	-	-	-	-	-	-	-	-
CTA Loan PTF Advance Recovery	56,147	-	-	-	-	-	-	-	-	-
IDOT State Grant - PACE (ADA)	-	-	-	8,500	8,500	8,500	8,395	3,825	3,825	7,975
Pace ADA 2012 Surplus Refund	-	-	-	1,767	1,772	7,004	-	29,285	5,328	6,457
State assistance	123,008	130,115	130,088	86,983	130,185	130,182	130,206	65,118	130,231	130,215
Intergovernmental	-	-	-	-	-	-	-	-	-	29,822
Investment income	39,174	16,799	19,101	18,703	18,964	13,761	13,819	15,769	8,331	10,011
Other revenues	4,341	2,852	7,466	10,518	5,827	7,847	8,187	10,403	14,185	1,022
Total revenues	503,461	504,869	650,228	595,032	934,877	755,924	805,524	637,136	741,449	699,585
EXPENDITURES:										
Financial assistance to Service Boards	93,453	97,648	128,786	171,700	196,116	200,500	225,805	225,231	216,457	218,240
Capital grants—discretionary	19,166	15,310	6,907	5,414	897	254	631	207	582	1,238
Capital Projects Expense-Working Cash Note	56,147	-	-	-	-	-	-	-	-	-
PACE Discr (CMAQ) Grant RTA share	-	-	132	-	-	-	-	-	-	-
South Suburban Job Access Program - (PACE)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
5% PTF/RETT & ADA Paratransit (New Sales Tax)	-	-	-	-	-	-	-	-	-	-
Innovation, Coordination, & Enhancement (ICE)	9,101	9,480	9,930	10,278	10,902	11,439	11,900	12,062	12,770	12,538
State General Revenue MOU	-	-	-	7,969	26,072	96,988	-	14,337	689	560
IDOT Cap Grant - PACE (ADA)	-	-	-	10,940	8,500	8,500	8,395	3,825	3,825	7,975
PACE (PTF) expenditures	1,390	10,250	4,250	-	-	-	-	-	-	-
Capital grants—bonds	47,957	103,456	229,890	213,392	460,448	149,259	337,549	208,679	244,756	192,511
RTA Capital grants—CTA	-	-	-	-	12,264	56,257	912	1,058	-	-
RTA Capital grants—Metra	-	-	-	-	162	3,522	3,002	3,418	1,181	320
PACE ADA Surplus	-	-	-	-	-	-	29,266	10,563	5,328	6,457
Administrative	11,441	7,699	8,231	15,713	17,530	16,192	17,085	16,433	15,504	16,240
Regional	22,105	25,689	27,102	19,785	22,332	22,817	22,373	21,581	25,101	24,088
Distribution to JSIF	-	-	-	-	-	-	-	4,365	4,056	2,999
Capital outlay	1,110	1,323	762	295	1,530	599	644	1,299	262	1,387
Write off CTA loan receivable	-	-	-	-	56,147	-	-	-	-	-
Debt service:										
Principal	68,455	74,060	919,110	999,375	98,800	443,737	100,610	432,635	413,870	471,295
Interest	135,361	134,121	139,215	129,884	117,428	115,246	110,432	108,599	107,965	102,598
Debt related costs	-	-	-	942	5,767	2,092	357	23,026	1,524	1,568
Debt issuance costs	2,965	2,982	4,912	-	-	-	-	-	-	-
Miscellaneous	-	-	397	1,552	-	-	-	-	-	-
Total expenditures	476,151	489,518	1,487,124	1,594,739	1,042,395	1,134,902	876,461	1,094,818	1,061,370	1,067,514
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	27,310	15,351	(836,896)	(999,707)	(107,518)	(378,978)	(70,937)	(457,682)	(319,921)	(367,929)
OTHER FINANCING SOURCES (USES):										
Bond proceeds (gross)	-	175,100	705,000	-	-	-	-	-	-	-
Refunding bond proceeds (gross)	-	-	-	300,000	-	-	-	-	-	-
Issuance of refunding bonds	-	-	95,550	650,000	10,000	374,295	-	-	-	-
Payment to refunded bond escrow agent	-	-	(103,104)	-	-	-	-	-	-	-
SCIP II bond proceeds (gross)	-	-	-	-	-	-	-	-	-	-
Other financing sources (premium)	-	6,846	11,574	-	-	8,006	-	11,011	30,255	11,996
Note proceeds	260,000	140,000	-	-	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-	-	346,720	441,205	389,080
Transfers out										
Capital Projects Fund	-	-	-	-	-	(7,211)	-	(6,459)	(599)	(9,141)
Debt Service Fund	195,261	228,065	(186,365)	(173,137)	(7)	-	(20,037)	(160,403)	(250,000)	-
General Fund	(198,836)	(217,174)	(335,567)	(212,457)	(295,433)	(306,029)	(216,754)	(373,934)	(319,792)	(318,077)
Joint Self-Insurance Fund	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund	-	(15,316)	-	-	-	-	-	-	-	-
Transfers in										
Capital Projects Fund	-	-	-	7	7	-	37	-	-	-
Debt Service Fund	-	-	330,187	207,457	290,433	306,911	210,574	380,393	320,391	327,218
General Fund	-	-	186,339	173,130	-	-	20,000	160,403	250,000	-
Transfers in	-	-	26	-	-	-	-	-	-	-
Total other financing (uses) sources	256,425	317,521	703,640	945,000	5,000	375,972	(6,180)	357,731	471,460	401,076
NET CHANGE IN FUND BALANCES	\$ 283,735	\$ 332,872	\$ (133,256)	\$ (54,707)	\$ (102,518)	\$ (3,006)	\$ (77,117)	\$ (99,951)	\$ 151,539	\$ 33,147
Debt Service as a percentage of noncapital expenditures	42.99%	42.84%	71.17%	70.88%	20.79%	49.34%	24.11%	49.52%	49.20%	53.86%

RTA REVENUE BY SOURCE

2009-2018



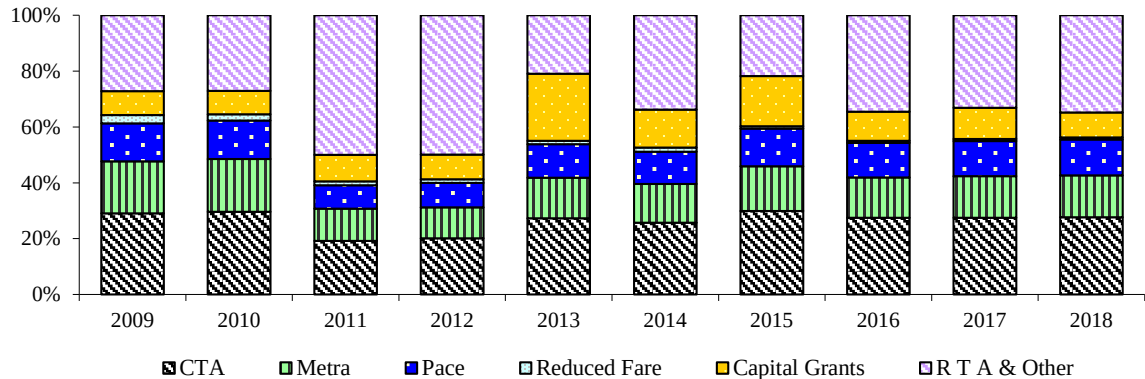
Last Ten Years

(In Thousands)

	Sales Tax	Public Transportation Fund	Reduced Fare	Other	Total
12 Months Ended 12/31/09	\$ 894,238	\$ 282,541	\$ 41,970	\$ 262,098	\$ 1,480,847
Percentage of Total	60.39%	19.08%	2.83%	17.70%	100%
12 Months Ended 12/31/10	931,435	287,404	33,570	243,845	1,496,254
Percentage of Total	62.25%	19.21%	2.24%	16.30%	100%
12 Months Ended 12/31/11	975,670	305,395	34,070	360,002	1,675,137
Percentage of Total	58.24%	18.23%	2.03%	21.49%	100%
12 Months Ended 12/31/12	1,021,686	319,892	34,070	279,571	1,655,219
Percentage of Total	61.73%	19.33%	2.06%	16.89%	100%
12 Months Ended 12/31/13	1,071,225	339,188	25,820	604,173	2,040,406
Percentage of Total	52.50%	16.62%	1.27%	29.61%	100%
12 Months Ended 12/31/14	1,121,275	357,711	34,070	410,449	1,923,505
Percentage of Total	58.29%	18.60%	1.77%	21.34%	100%
12 Months Ended 12/31/15	1,169,268	376,897	17,570	443,582	2,007,317
Percentage of Total	58.25%	18.78%	0.88%	22.10%	100%
12 Months Ended 12/31/16	1,185,182	382,748	17,570	335,398	1,920,898
Percentage of Total	61.70%	19.93%	0.91%	17.46%	100%
12 Months Ended 12/31/17	1,185,986	362,647	17,570	380,963	1,947,166
Percentage of Total	60.91%	18.62%	0.90%	19.56%	100%
12 Months Ended 12/31/18	1,237,339	368,367	16,692	306,944	1,929,342
Percentage of Total	64.13%	19.09%	0.87%	15.91%	100%

2009-2018

DISTRIBUTION OF EXPENDITURES



Last Ten Years

(In Thousands)

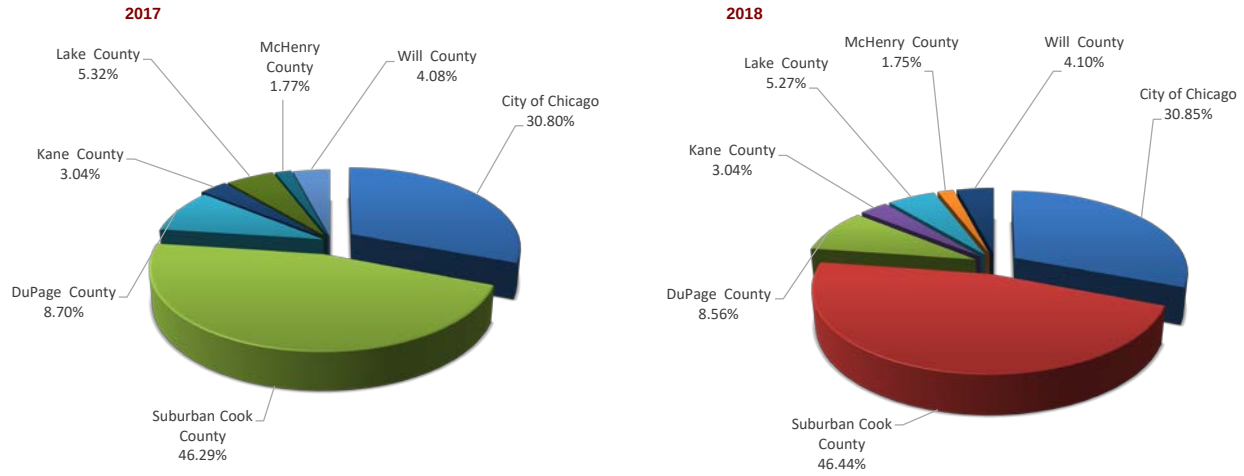
	Financial Assistance				Reduced Fare	Capital Grants	R T A and Other	Total
	CTA	Metra	Pace	Total				
12 Months Ended 12/31/09	\$ 417,288	\$ 267,576	\$194,698	\$ 879,562	\$ 41,970	\$ 123,069	\$ 389,857	\$ 1,434,457
Percentage of Total	29.09%	18.65%	13.57%	61.32%	2.93%	8.58%	27.18%	100%
12 Months Ended 12/31/10	436,467	277,506	202,463	916,436	33,570	122,998	398,531	1,471,534
Percentage of Total	29.66%	18.86%	13.76%	62.28%	2.28%	8.36%	27.08%	100%
12 Months Ended 12/31/11	485,117	289,179	212,253	986,549	34,070	241,047	1,258,260	2,519,926
Percentage of Total	19.25%	11.48%	8.42%	39.15%	1.35%	9.57%	49.93%	100%
12 Months Ended 12/31/12	538,594	297,369	233,872	1,069,835	34,070	237,717	1,333,074	2,674,696
Percentage of Total	20.14%	11.12%	8.74%	40.00%	1.27%	8.89%	49.84%	100%
12 Months Ended 12/31/13	576,678	308,812	252,133	1,137,623	25,820	508,343	442,732	2,114,518
Percentage of Total	27.27%	14.60%	11.92%	53.80%	1.22%	24.04%	20.94%	100%
12 Months Ended 12/31/14	597,363	322,518	268,657	1,188,538	34,070	314,780	785,469	2,322,856
Percentage of Total	25.72%	13.88%	11.57%	51.17%	1.47%	13.55%	33.81%	100%
12 Months Ended 12/31/15	631,806	337,773	283,751	1,253,330	17,570	379,755	458,601	2,109,256
Percentage of Total	29.95%	16.01%	13.45%	59.42%	0.83%	18.00%	21.74%	100%
12 Months Ended 12/31/16	642,155	336,898	287,674	1,266,728	17,570	242,086	806,311	2,332,695
Percentage of Total	27.53%	14.44%	12.33%	54.30%	0.75%	10.38%	34.57%	100%
12 Months Ended 12/31/17	630,467	339,865	288,253	1,258,585	17,570	256,362	758,542	2,291,059
Percentage of Total	27.52%	14.83%	12.58%	54.93%	0.77%	11.19%	33.11%	100%
12 Months Ended 12/31/18	650,167	352,502	303,207	1,305,876	16,692	209,061	819,100	2,350,729
Percentage of Total	27.66%	15.00%	12.90%	55.55%	0.71%	8.89%	34.84%	100%

Note: Amounts above include expenditures from the General Fund and the Agency Fund

STATISTICAL SECTION (UNAUDITED)

Table 7

SALES TAX REVENUE SOURCE BY COUNTY/CITY OF CHICAGO



Last Ten Years

(In Thousands)

	City of Chicago	Suburban Cook County	DuPage County	Kane County	Lake County	McHenry County	Will County	Total
12 Months Ended 12/31/09	\$267,553	\$418,793	\$79,060	\$27,144	\$49,782	\$16,627	\$35,279	\$894,238
Percentage of Total	29.92%	46.83%	8.84%	3.04%	5.57%	1.86%	3.95%	100%
12 Months Ended 12/31/10	278,394	438,000	81,996	28,368	50,789	17,193	36,695	931,435
Percentage of Total	29.89%	47.02%	8.80%	3.05%	5.45%	1.85%	3.94%	100%
12 Months Ended 12/31/11	295,770	453,866	85,937	29,799	52,994	17,712	39,592	975,670
Percentage of Total	30.31%	46.52%	8.81%	3.05%	5.43%	1.82%	4.06%	100%
12 Months Ended 12/31/12	312,519	474,249	88,845	30,569	56,169	18,284	41,051	1,021,686
Percentage of Total	30.59%	46.42%	8.70%	2.99%	5.50%	1.79%	4.02%	100%
12 Months Ended 12/31/13	327,809	497,997	94,329	31,667	57,650	19,077	42,696	1,071,225
Percentage of Total	30.60%	46.49%	8.81%	2.96%	5.38%	1.78%	3.99%	100%
12 Months Ended 12/31/14	343,832	521,593	97,995	33,208	62,156	19,964	45,249	1,123,997
Percentage of Total	30.59%	46.41%	8.72%	2.95%	5.53%	1.78%	4.03%	100%
12 Months Ended 12/31/15	363,131	541,214	100,795	34,482	62,705	20,385	46,555	1,169,267
Percentage of Total	31.06%	46.29%	8.62%	2.95%	5.36%	1.74%	3.98%	100%
12 Months Ended 12/31/16	368,589	546,376	102,966	35,476	63,521	20,801	47,453	1,185,182
Percentage of Total	31.10%	46.10%	8.69%	2.99%	5.36%	1.76%	4.00%	100%
12 Months Ended 12/31/17	365,311	548,955	103,254	36,047	63,041	20,976	48,403	1,185,987
Percentage of Total	30.80%	46.29%	8.70%	3.04%	5.32%	1.77%	4.08%	100%
12 Months Ended 12/31/18	380,082	572,126	105,460	37,452	64,929	21,507	50,455	1,232,011
Percentage of Total	30.85%	46.44%	8.56%	3.04%	5.27%	1.75%	4.10%	100%

Note: Amounts above include revenues from the General Fund and the Agency Fund

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities			Unamortized Premiums	Total Primary Government	Percentage of Sales Tax	Percentage of Personal Income ^b
	General Obligation Bonds ^a	Working Cash Notes ^a					
2009	\$ 2,419,120	\$ -	\$ -	-	\$ 2,419,120	38.50 %	0.46 %
2010	2,260,160	400,000	-	-	2,660,160	36.68	0.49
2011	2,176,975	265,000	-	-	2,441,975	41.84	0.43
2012	2,092,600	300,000	-	-	2,392,600	44.77	0.41
2013	2,003,800	300,000	-	-	2,303,800	48.79	0.38
2014	2,009,355	225,000	-	-	2,234,355	50.31	0.36
2015	1,908,745	225,000	-	-	2,133,745	54.80	0.34
2016	1,897,830	150,000	-	-	2,047,830	57.88	0.31
2017	2,075,165	-	-	-	2,075,165	57.15	0.31
2018	1,842,950	150,000	121,378	-	2,114,328	58.52	0.29

Note:

^a Details regarding the Authority's outstanding debt can be found in the notes to the financial statements.

^b See Table 14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

LEGAL DEBT CAPACITY

(In Thousands)

2018

Legal Debt Margin:	Balance Outstanding at December 31, 2018	Issued	Working Cash Notes	Total
Debt Limitation per Act for General Obligations				
Debt applicable to limitation :				\$ 2,600,000
Non-SCIP Bonds:				
1990A General Obligation Bonds	\$14,765			
1991A General Obligation Bonds	20,655			
1994B General Obligation Bonds	-			
1994D General Obligation Bonds	13,560			
1997 General Obligation Refunding Bonds	24,445			
2003B General Obligation Bonds	104,315			
2005B General Obligation Refunding Bonds	84,685			
2010A General Obligation Bonds	24,475			
2010B General Obligation Bonds	112,925			
2011A General Obligation Refunding Bonds	15,500			
2014A General Obligation Bonds	92,855			
2016A General Obligation Bonds	92,500			
2018B General Obligation Bonds	139,080			
Total RTA Bonds Applicable to Limitation	739,760			(739,760)
SCIP Bonds:				
1992A General Obligation Bonds	-	188,000		
1993A General Obligation Bonds	-	55,000		
1994A General Obligation Bonds	-	195,000		
1994C General Obligation Bonds	9,790	62,000		
1999 General Obligation Refunding Bonds	145,845	-		
2000 General Obligation Bonds	160,955	260,000		
2001A General Obligation Bonds	63,060	100,000		
2001B General Obligation Refunding Bonds	16,945	-		
2002A General Obligation Bonds	106,460	160,000		
2003A General Obligation Bonds	180,975	260,000		
2004A General Obligation Bonds	187,745	260,000		
2006A General Obligation Bonds	-	250,030		
2017A General Obligation Bonds	191,205	-		
Total SCIP Bonds Applicable to Limitation	1,062,980	\$1,790,030		(1,790,030)
Total SCIP Bonds Outstanding				
Total Bonds Outstanding	\$1,802,740			
Debt Margin for General Obligations				70,210
Debt Limitation per Act for Working Cash Notes			\$400,000	
Total RTA Working Cash Notes Applicable to Limitation	200,000		(200,000)	
Debt Margin for Working Cash Notes				200,000
Total Legal Debt Margin				\$270,210

STATISTICAL SECTION (UNAUDITED)

TABLE 10

REGIONAL TRANSPORTATION AUTHORITY
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(In Thousands)

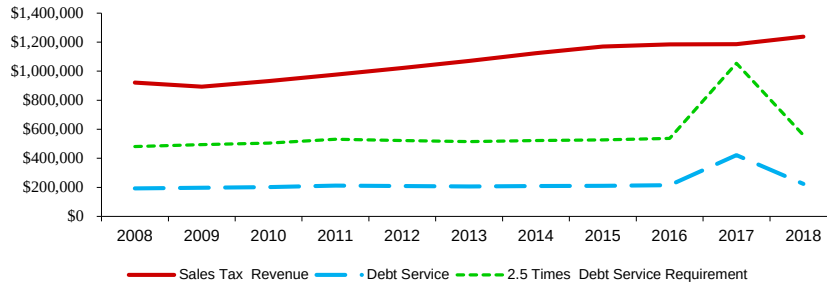
	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit for General Obligations	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000
Total net debt applicable to limit	2,411,155	2,553,355	2,513,670	2,475,325	2,435,275	2,492,385	2,446,390	2,492,950	2,440,335	2,529,790
Debt margin for General Obligations	188,845	46,645	86,330	124,675	164,725	107,615	153,610	107,050	159,665	70,210
Debt limit for Working Cash Notes	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Total net debt applicable to limit	260,000	400,000	265,000	300,000	300,000	225,000	225,000	150,000	300,000	200,000
	140,000	-	135,000	100,000	100,000	175,000	175,000	250,000	100,000	200,000
Legal debt margin	\$ 328,845	\$ 46,645	\$ 221,330	\$ 224,675	\$ 264,725	\$ 282,615	\$ 328,610	\$ 357,050	\$ 259,665	\$ 270,210
Total legal debt margin as a percentage of debt limit	10.96%	1.55%	7.38%	7.49%	8.82%	9.42%	10.95%	11.90%	8.66%	9.01%

STATISTICAL SECTION (UNAUDITED)

Table 11

COMPARISON OF SALES TAX REVENUE
TO DEBT SERVICE REQUIREMENT

2009 - 2018
(In Thousands)



As defined in the Bond and Note General Ordinance, ordinance 85-39, Section 909 (3), revenue test required that all RTA revenues shall equal or exceed two and one-half (2.5) times the maximum annual debt service requirements. In the graph presented above, the RTA compares 2.5 times debt service requirement to sales tax revenues, a major RTA revenue. In effect, the RTA significantly exceeds the revenue test defined in the ordinance.

Last Ten Years

(In Thousands)

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sales Tax Revenue	894,238	931,435	975,670	1,021,686	1,071,225	1,123,997	1,169,267	1,185,182	1,185,986	1,237,339
Debt Service Requirement	197,529	201,994	212,441	208,712	206,228	208,985	211,041	214,984	421,835	223,893
2.5 Times Debt Service Requirement	493,823	504,985	531,103	521,780	515,570	522,463	527,603	537,460	1,054,588	559,733

Differences, if any, between debt service amounts presented above and amounts presented in the accompanying financial statements represent timing differences between payments made to trustees and payments made to bondholders. Also, investment income earned in the debt service accounts may lower actual cash transfers from the General Fund.

Table 12

**RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS
FOR GENERAL OBLIGATION BONDS TO TOTAL EXPENDITURES**

<i>Last Ten Years</i>				<i>(In Thousands)</i>	
				Ratio of Debt	
				Service to Total	
Year	Debt Service Requirements			Total	
	Principal	Interest	Total	Expenditures	Expenditures
2009	\$ 68,455	\$ 129,074	\$ 197,529	\$ 1,434,457	13.77%
2010	74,060	127,934	201,994	1,475,959	13.69%
2011	79,110	133,331	212,441	2,519,926	8.43%
2012	84,375	124,337	208,712	2,679,696	7.79%
2013	88,800	117,428	206,228	2,119,518	9.73%
2014	93,740	115,245	208,985	2,322,856	9.00%
2015	100,610	110,431	211,041	2,109,256	10.01%
2016	106,385	108,599	214,984	2,332,695	9.22%
2017	313,870	107,965	421,835	2,291,059	18.41%
2018	121,295	102,598	223,893	2,350,729	9.52%

Table 13

**FEDERAL ALLOCATION OF CAPITAL FUNDS
TO NORTHEASTERN ILLINOIS**

Last Ten Calendar Years

Sections 5309, 5307/5340, 5337 and Title 1 including CMAQ and STP (Formerly Section 3, 9, & 23, respectively)

(In Millions)

Federal Fiscal Year	Total Awarded	Chicago Transit Authority	Commuter Rail Division	Suburban Bus Division	Regional Transportation Authority
2008	\$ 489.91	\$ 279.38	\$ 169.55	\$ 40.98	\$ -
2009	917.78	535.32	297.57	84.89	-
2010	459.25	266.23	154.97	38.05	-
2011	489.37	299.50	145.02	44.85	-
2012	537.26	306.46	149.63	41.39	39.78
2013	629.76	403.73	158.59	67.44	-
2014	533.43	317.02	161.55	54.86	-
2015*	1,034.69	826.16	161.32	47.21	-
2016	528.31	295.30	190.69	42.32	-
2017*	504.56	294.77	169.83	39.96	-
2018*	576.66	342.48	186.29	47.89	-
Total	\$ 6,700.98	\$ 4,166.35	\$ 1,945.01	\$ 549.84	\$ 39.78

Source of data: Information obtained from the Service Boards' records.

* 2015 data includes \$557.00 TIFIA funding for CTA. Out of \$557.00 applied for, CTA received \$374.90

* 2017 data includes \$5.18M of reprogrammed CTA federal formula funds, \$0.06M additional Metra federal formula funds and \$0.01M additional Pace federal formula funds

* 2018 data includes reprogrammed federal formula funds: \$0.13M for CTA, \$0.26M for Metra, and \$0.02M for Pace; for a total of \$0.41M of reprogrammed federal formula funds

**REGIONAL TRANSPORTATION AUTHORITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population ¹	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate ²
2009	12,796,778	\$ 522,945,597	\$ 40,865	10.0%
2010	12,841,980	539,680,018	42,025	10.5%
2011	12,869,257	562,662,480	43,721	9.8%
2012	12,875,255	577,008,488	44,815	8.9%
2013	12,882,135	602,627,109	46,780	9.2%
2014	12,880,580	619,808,386	48,120	7.1%
2015	12,861,699	636,280,652	49,471	5.9%
2016	12,801,539	666,935,503	52,098	5.9%
2017	12,802,023	676,053,010	52,808	4.9%
2018	12,741,080	725,393,900	56,933	4.3%

⁽¹⁾ Source: Bureau of Economic Analysis U.S. Department of Commerce

⁽²⁾ Source: Bureau of Labor Statistics Data U.S. Department of Labor

REGIONAL TRANSPORTATION AUTHORITY
PRINCIPAL EMPLOYERS

Employer ¹	CURRENT YEAR 2018			Nine Years Ago 2009		
	Employees	Rank	% of Total Region Employment	Employees	Rank	% of Total Region Employment
United States Government	41,500	1	0.97%	77,000		1.99%
Chicago Public Schools	36,415	2	0.85%	43,740		1.13%
City of Chicago	31,854	3	0.74%	36,242		0.94%
Cook County	22,438	4	0.52%	23,416		0.60%
Advocate Health Care	19,886	5	0.46%	19,990		0.52%
Northwestern Memorial Healthcare	19,513	6	0.45%	14,784		0.38%
University of Chicago	17,345	7	0.40%	13,281		0.34%
JP Morgan Chase & Co.	16,231	8	0.38%	13,142		0.34%
State of Illinois	14,582	9	0.34%	13,000		0.34%
Amazon.com Inc	14,018	10	0.33%	13,000		0.34%
Total	233,782		5.44%	267,595		6.91%

Note: RTA service area includes Cook and the five collar Counties.
The information obtained from the sources below has been adjusted
to reflect only employers from these areas.

⁽¹⁾ Crain's Chicago Business

RTA & SERVICE BOARDS OPERATING CHARACTERISTICS

2018

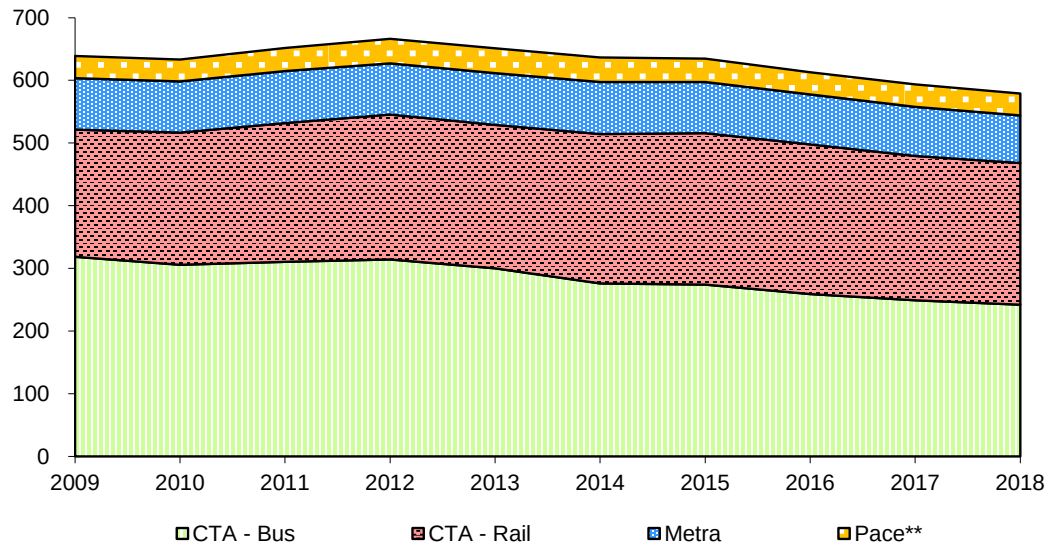
<u>Chicago Transit Authority</u>	<u>Metra Commuter Rail Division*</u>	<u>Pace Suburban Bus Division</u>
<u>Rapid Transit</u>	<u>Commuter Rail</u>	<u>Fixed Route Bus</u>
• 8 rail lines • 145 stations served • 1,492 rapid transit cars • 225.9 million riders per year • 1,801 STO* positions	• 11 rail lines • 488 route miles • 1,155 miles of track • 242 stations • 149 locomotives • 855 passenger cars • 186 electric cars • 686 weekday trains operated • 76.1 million riders per year • 4,870 full-time employees • 1.7 billion passenger miles per year • 43.7 million vehicle revenue miles per year	• 162 regular routes • 43 feeder routes • 20 shuttle routes • 626 vehicles in use during peak periods • 27.7 million riders per year • 780 Pace-owned buses • 1,750 full-time employees
<u>Motor Bus</u>		<u>ADA Paratransit</u>
• 129 bus routes • 1,864 buses • 242.2 million riders per year • 3,796 STO* positions		• 331 Pace-owned lift-equipped vehicles in service • 4.3 million riders per year • 47 full-time employees
<u>CTA Totals</u>		<u>Dial-a-Ride</u>
• 1.4 billion rail passenger miles per year • 613.0 million bus passenger miles per year • 125.9 million vehicle revenue miles per year • 4,300 without STO* positions		• 68 local services • 309 Pace-owned lift-equipped vehicles in service • 284 communities served • 0.8 million riders per year
*STO is scheduled transit operators. This classification includes bus operators, motormen, conductors, and customer assistants.		<u>Vanpool</u>
*All data excludes NICTD South Shore		• 556 vanpool vehicles in operation • 1.7 million riders per year
Source of data: Information obtained from the Service Boards, the NTD, and RTA records.		

STATISTICAL SECTION (UNAUDITED)

Table 17

2009-2018
(In Millions)

System Ridership and Unlinked Passenger Trips



Last Ten Years

(In Millions)

Service Consumed:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
CTA - Bus	318.7	306	310.4	314.4	300.1	276.1	274.3	259.1	249.2	242.2
CTA - Rail	202.6	210.9	221.6	231.2	229.1	238.1	241.7	238.6	230.2	225.9
Total CTA*	521.3	516.9	532	545.6	529.2	514.2	516	497.7	479.4	468.1
Metra	82.3	81.4	82.7	81.3	82.3	83.4	81.6	80.1	78.6	76.2
Pace**	35.1	35.1	37.1	39.2	39.9	38.9	37.3	35.4	35.5	34.5
System Total	638.7	633.4	651.8	666.1	651.4	636.5	634.9	613.2	593.5	578.8
Percent Change	-2.3%	-0.8%	2.9%	2.2%	-2.2%	-2.3%	-0.3%	-3.4%	-3.2%	-2.5%

*CTA ridership includes rail-to-rail transfers.

**PACE ridership includes ADA Paratransit rides beginning in 2007.

Source of data: National Transit Database and Service Board reported data.

**Regional Transportation Authority
Full-time Employee by Function**

Last Five Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Audit	4	0	0	0	0
Executive Office	2	2	2	2	2
Capital Programming Planning & Performance	0	24	24	25	21
Communications and Public Affairs	2	3	2	4	0
Customer Service/Mobility Services	36	32	28	29	29
Finance & Performance Management	22	0	0	0	0
Finance Innovation & Technology	0	24	25	23	27
Human Resources	3	3	3	3	3
Information Technology	9	0	0	0	0
Legal	7	0	0	0	0
Legal and Compliance	0	13	13	13	14
Government Affairs	0	3	3	3	3
Government and Community Affairs	5	0	5	0	0
Marketing and Communications	0	0	0	0	4
Planning and Market Development	22	0	0	0	0
Totals	112	104	105	102	103

Source: RTA HR records



**Regional
Transportation
Authority**

175 West Jackson Boulevard, Suite 1650
Chicago, Illinois 60604

Phone: 312-913-3200

RTAChicago.org

Follow us on



Chicago Transit Authority
567 W. Lake St.
Chicago, IL 60661
888-968-7282
www.transitchicago.com



Metra
547 W. Jackson Blvd.
Chicago, IL 60661
312-322-6777
www.metrarail.com



Pace
550 W. Algonquin Rd.
Arlington Heights, IL 60005
847-364-7223
www.pacebus.com

ORDINANCE NO.

WHEREAS, the Authority's continuing mission is to enhance the customer experience and maximize the use of the existing regional transit system by enhancing coordination, integrating information, and improving system access and ease of use for our customers;

WHEREAS, the Authority's RTA Trip Planner website at <https://TripPlanner.RTAChicago.org> has proven to be an invaluable resource for commuters and visitors in the RTA region by providing integrated trip directions, real-time next bus and train arrival information, transit schedules, accessibility related information and travel advisories;

WHEREAS, the Authority wishes to amend its contract with MDV Transit and Traffic Solutions, Inc. ("MDV") to continue supporting the RTA Trip Planer until the Ventra Trip Planner transition is complete;

WHEREAS, MDV has submitted the RTA's Vendor/Contractor Certification which: (i) discloses the names of the principals and any contracted lobbyists, (ii) certifies that entering into this contract will not create a prohibited conflict of interest, and (iii) certifies that the firms and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. MDV has also agreed to update the Certification should any of the information change during the contract period.

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

- 1) The Executive Director of the Authority is hereby authorized to execute a contract amendment with MDV to extend the contract term from August 4, 2019 to March 31, 2020 and to increase the total contract value by \$116,349.20, from \$1,056,383.00 to \$1,172,732.20.
- 2) The Executive Director is hereby authorized to take such further actions as the Executive Director deems necessary and appropriate to implement, administer, and enforce this ordinance and said agreement.

To: Board of Directors

From: Leanne P. Redden, Executive Director

Date: June 4, 2019

Re: Ordinance authorizing a contract amendment for
RTA Trip Planner software support and maintenance



**Regional
Transportation
Authority**

175 W. Jackson Blvd,
Suite 1650
Chicago, IL 60604
312-913-3200
rtachicago.org

The proposed ordinance authorizes an amendment to the RTA's contract with MDV Transit and Traffic Solutions, Inc. ("MDV") for Trip Planner software support and maintenance services. The amendment will extend MDV's services from August 4, 2019 through March 31, 2020 for an additional amount of \$116,349.20.

Background

The RTA's Trip Planner website provides a critical service to the residents and visitors of the six-county northeastern Illinois region. The application, which can be accessed at <https://TripPlanner.RTACHicago.org> from any web-enabled device, allows travelers to generate door-to-door trip itineraries that accounts for different transportation modes (CTA and Pace buses, CTA and Metra trains, Park and Ride, Bike and Ride, Walking) and need for wheelchair-accessible transit trips. MDV has been providing the licensing, and maintenance and support of the trip routing algorithms, back-end data management, and front-end user interface modules of the RTA Trip Planner since the website was launched in May 2009.

The RTA continues to coordinate with the Service Boards on building a road map for providing rider services particularly in regional transit information and fare payment systems. These efforts include incorporating a trip planning functionality on the Ventra™ mobile app. It is now anticipated that the Ventra mobile app will include a Trip Planner module by the end of 2019. At that time, the RTA will migrate from using the MDV software to the Ventra Trip Planner. This migration is expected to be complete by March 2020. Staff proposes to amend the RTA's agreement with MDV to ensure the RTA Trip Planner is supported prior to transitioning to the Ventra Trip Planner.

Fiscal Impact

The proposed amendment extends the contract term from August 4, 2019 to March 31, 2020 and increases the total contract value by \$116,349.20, from \$1,056,383.00 to \$1,172,732.20. MDV has submitted the Vendor/Contractor Certification (VCC) form that discloses the names of the principals and any contracted lobbyists, certifies that entering into this contract will not create a prohibited conflict of interest, and certifies that the firm and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. The firm has also agreed to update these certifications should any of the information change during the contract period.

The approved RTA 2019 budget contains sufficient funding to support the cost of this amendment. Any related expenditures in subsequent years are subject to appropriation of funds by the RTA Board of Directors.

Prepared by: Information Technology

LPR/BRH/GC/GT
Attachments.

ORDINANCE NO.

WHEREAS, the Regional Transportation Authority (the "Authority") is implementing a new, integrated Enterprise Resource Planning (ERP) system;

WHEREAS, the Authority has entered into contracts with 11 pre-qualified vendors to provide project management services in support the ERP Implementation Project;

WHEREAS, the Authority awarded Brisk Business, Inc. a task order to provide project management services in support the ERP Implementation Project in January 2018;

WHEREAS, Brisk Business, Inc. has submitted the Authority's Vendor/Contractor Certification that discloses the names of the principals and any contracted lobbyists, certifies that entering into this contract will not create a prohibited conflict of interest, and certifies that the firm and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. The firm has agreed to update the Certification should any of the information change during the contract period.

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

- 1) The Executive Director of the Authority is hereby authorized to amend the contract (PO 1807) with Brisk Business, Inc. to provide project management services in support of the RTA's ERP Implementation Project and increase the total task order value by \$205,000, from \$275,000 to a total not to exceed amount of \$480,000.
- 2) The Executive Director is hereby authorized and directed to take such actions as the Executive Director deems necessary or appropriate to implement, administer and enforce this ordinance and said contract.



**Regional
Transportation
Authority**

To: Board of Directors

From: Leanne P. Redden, Executive Director

Date: June 12, 2019

175 W. Jackson Blvd,
Suite 1650
Chicago, IL 60604
312-913-3200
rtachicago.org

Re: Ordinance authorizing an amendment to Project Management Services
Task Order #3 for support for the RTA's ERP implementation project

Action Requested

The proposed ordinance authorizes the Executive Director to amend the contract with Brisk Business, Inc. for project management services. The amendment would amend the previously awarded Task Order for support of the RTA's ERP Implementation Project from \$275,000 to a value not to exceed \$480,000.

Background

In April 2015, the Board authorized the Executive Director to enter into task order contracts with 11 pre-qualified firms for Project Management Services. A condition of this authorization was that the Board has to approve the award of any task order in excess of \$100,000.

In January 2018, the Board awarded Brisk Business, Inc. a task order to provide project management support to the existing RTA Project Management Team for the ERP Implementation Project. The tasks that Brisk provides include support for organizational change management and quality management plans, monitoring the quality of ERP implementation, user acceptance testing, risk assessment and mitigation, and project change control. As the ERP Implementation Project has progressed, the need has arisen for additional support to ensure the successful transition from RTA's legacy systems to the integrated Infor solution and the orderly continuation of RTA business. This amendment will provide additional resources to accurately and thoroughly align RTA business processes with the Infor solution and to monitor the performance of the solution during the critical stage of system integration testing.

Brisk Business, Inc. has submitted the RTA's Vendor/Contractor Certification that discloses the names of the principals and any contracted lobbyists, certifies that entering into this contract will not create a prohibited conflict of interest, and certifies that the firm and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. Brisk Business, Inc. has also agreed to update the Certification should any of the information change during the contract period.

Financial Impact

The proposed amendment increases the total task order value by \$205,000, from \$275,000 to a total not to exceed amount of \$480,000.

Prepared by: Finance, Innovation, and Technology (FIT)
LPR/BRH/GWC/MBM/EDL
Attachment

To: Board of Directors

From: Leanne P. Redden, Executive Director

Date: June 13, 2019

Re: Ordinance authorizing a contract for fabrication and installation of interagency signage



**Regional
Transportation
Authority**

175 W. Jackson Blvd,
Suite 1650
Chicago, IL 60604
312-913-3200
RTAChicago.org

Action Requested

The proposed ordinance authorizes the Executive Director to execute a nine-month contract with Western Remac, Inc. to fabricate and install interagency transit signs at six expansion locations for an amount not-to-exceed \$414,468. Ninety percent of this contract will be externally funded through a federal grant from the Congestion Mitigation and Air Quality Improvement (CMAQ) Program. The RTA is providing the required 10% local match of \$41,446.80 using RTA funds already budgeted for this purpose. Western Remac, Inc. will meet the 11% DBE goal established for this contract by retaining a certified DBE sub-consultant.

Background

The RTA's interagency signage program is part of our continuing mission to provide coordinated information so that our customers can more easily navigate the regional transit system. Due to historical and legacy issues, many of our transit facilities are not built for passengers to easily transfer from one service to another. Transit customers are often confronted with inconsistent directional signs or information gaps when attempting to make transfer connections.

To address these problems, the RTA has led a collaborative process with our Service Boards (CTA, Metra and Pace), the City of Chicago, and other municipal partners to develop a modular system of interagency signage designed specifically for major transit hubs where passengers make connections between train and bus services. In 2012, the RTA installed interagency signage at four demonstration locations at Metra Van Buren (Chicago), Davis Street (Evanston), Joliet, and at the intersection of 95th and Western. That same year, RTA staff successfully pursued a federal grant to expand the program to 19 additional locations at Metra and CTA train stations where high volumes of interagency rail-to-rail and rail-to-bus transfers occur. The RTA Board approved a site design contract for these expansions in May of 2014 (Ordinance No. 2014-25) and an engineering contract in September of 2015 (Ordinance No. 2015-41).

Since 2015, RTA staff completed design and installation of directional signage on a limited basis around the exterior perimeter of Chicago Union Station and around the Metra LaSalle Street station as part of the "Downtown Connections" initiative. RTA staff has also been working with contractors to design and engineer sign installations as a series of three bundles, which are 90% complete. The construction and installation for the first seven expansion locations, Bundle 1 (Elgin, Harvey, Lake-Cook, Mayfair-Montrose, Museum Campus, Lisle and Naperville) were completed in November 2018.

Construction of Bundle 2

The RTA issued an Invitation for Bid (IFB) for the fabrication and installation of interagency signage products for the Bundle 2 locations. The scope of the work includes the fabrication and installation of an integrated suite of wayfinding signs, route maps and schedules. Specific features include highlighting transfer points (on maps, schedules and other posted displays) and clearly identifying transfer pathways. Each interagency location is centered on a “parent” commuter rail station, incorporating adjacent stations, and connecting bus stops - within a radius of a few blocks. A total of 293 signs and related mounting components are programmed to be installed at 6 Metra stations, 4 adjacent CTA rapid transit stations, and 45 connecting bus routes (18 CTA and 27 Pace).

Western Remac, Inc. has submitted the RTA’s Vendor/Contractor Certification that discloses the names of the principals and any contracted lobbyists, certifies that entering into this contract will not create a prohibited conflict of interest, and certifies that the firm and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. They have also agreed to update their Certification should any of the information change during the contract period.

Financial Impact

The total cost of the proposed contract is not-to-exceed \$414,468. Ninety percent (90%) of the cost of the contract will be funded by a federal grant from the Congestion Mitigation and Air Quality Improvement Program (CMAQ). The remaining 10% of the contract or \$41,446.80 will be funded by RTA funds. All RTA funding sources were approved as part of the RTA’s 2019 budget. Funding for subsequent years is subject to annual budget appropriations by the RTA Board.

Prepared by: Capital Programming, Planning and Performance

LPR/JL/JHH/KDS/JSS
Attachments

ORDINANCE NO.

WHEREAS, a continuing mission of the Regional Transportation Authority ("the Authority") is to provide coordinated information so that customers can more easily access and seamlessly navigate our public transportation system;

WHEREAS, the RTA has led a collaborative process with the Service Boards and municipal partners to develop a modular system of interagency signage designed specifically for major transit hubs where passengers make connections between train and bus services;

WHEREAS, the engineering designs for interagency signage at six expansion locations, (Irving Park, Jefferson Park, Oak Park, Main Street-Evanston, Waukegan and Wheaton) have been completed and are ready to be installed;

WHEREAS, the Authority requires a vendor to fabricate and install the interagency signs at the six locations;

WHEREAS, after a complete bidding process, the RTA has found that Western Remac, Inc. was the only responsive and responsible bidder; and

WHEREAS, Western Remac, Inc. has submitted the Authority's Vendor/Contractor Certification that discloses the names of the principals and any contracted lobbyists, certifies that entering into this contract will not create a prohibited conflict of interest, and certifies that the firm and its principals have not been debarred or suspended from participating in public contracts and have not been convicted of procurement-related offenses. The firm has agreed to update the Certifications should any of the information change during the contract period.

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

1. The Executive Director of the Authority is hereby authorized to enter into a nine month contract with Western Remac, Inc. for fabrication and installation services for expansion of the RTA's interagency signage program at a cost not to exceed \$414,468. Ninety percent of the contract will be funded through a federal grant from the Congestion Mitigation and Air Quality Improvement (CMAQ) Program and ten percent of the contract will be funded by the RTA.
2. The Executive Director is hereby authorized and directed to take such actions as the Executive Director deems necessary or appropriate to implement, administer and enforce this ordinance and said contract.

To: Board of Directors

From: Leanne P. Redden, Executive Director

Date: June 6, 2019

Re: Travel Expense Reimbursement



**Regional
Transportation
Authority**

175 W. Jackson Blvd,
Suite 1650
Chicago, IL 60604
312-913-3200
rtachicago.org

Effective January 1, 2017, the Illinois General Assembly adopted the Local Government Travel Expense Control Act ("the Act"; 50 ILCS 150/1 et seq.). Section 15 of the new legislation requires that all travel expenses of members of the RTA Board of Directors and expenses of any officer or employee *exceeding the maximum* allowed under the agency policy be approved only by "roll call vote at an open meeting of the governing board or corporate authorities of the local public agency."

The Board is being asked to approve travel expenditures as indicated below and on the attached forms:

<u>Name</u>	<u>Amount</u>
Staff Expenses	\$2,228.28
Board Expenses	\$373.29
Board Expenses	\$428.64
Board Expenses	\$395.26
Board Expenses	\$969.25

LPR/AM

Attachments.

EXPENSE REPORT



1 Today's Date	2 Last Name	3 Address (If check to be mailed outside the RTA)	4 Division	5 Department	6 Overall business purpose (Provide when applicable to all items; otherwise, complete Column 11 for each individual item)	7 Account Name	8 Account General Ledger (GL) Code	9 AA Code	10 Amount
5/30/19	Jane	Tallana	Capital Programming and Local Planning and Progr	Capital Programming and Planning	Attending the annual GFOA Conference in Los Angeles, CA	Travel Expense	000-590-52100	AA 999	2,228.28
11 Date	12 Item	13 Description of Expenditure(s)	14 Amount						
5/18/19	Airfare	United 2194 ORD-LAX 6:30am on 5/18/19. United 2265H LAX-ORD 7:00am on 5/23/19	\$ 484.80						
5/18/19	Ground Transportation	Taxi home to ORD	\$ 39.00						
5/18/19	Ground Transportation	Taxi LAX to hotel	\$ 60.80						
5/18/19	Meals	Per diem	\$ 70.00						
5/19/19	Meals	Lunch and dinner (breakfast provided)	\$ 60.00						
5/20/19	Meals	Breakfast and dinner (lunch provided)	\$ 45.00						
5/21/19	Meals	Breakfast and dinner (lunch provided)	\$ 45.00						
5/22/19	Meals	Breakfast and lunch	\$ 35.00						
5/22/19	Hotel	Hotel Indigo 5/18/19-5/22/19	\$ 1,268.08						
5/23/19	Ground Transportation	Lyft from hotel to LAX	\$ 47.00						
5/23/19	Meals	Lunch (arrival to ORD 1:09pm)	\$ 35.00						
5/23/19	Ground Transportation	Taxi ORD-home	\$ 39.00						
5/23/19	Registration Fee	Received scholarship	\$ -						
15 Comments:									
16 SUB-TOTAL \$ 2,228.28 17 PREVIOUS PAGE (S) TOTAL \$ - 18 CASH ADVANCE \$ - 19 PREPAID AIR FARE \$ - 20 PREPAID REGISTRATION FEE \$ - 21a RTA CREDIT CARD CHARGES \$ - 21b PERSONAL CHARGES ON RTA CREDIT CARD \$ - 22 TOTAL DEDUCTIONS \$ - 23 TOTAL DUE EMPLOYEE (RTA) \$ 2,228.28									
23 I certify that in accordance with RTA Travel Regulations the above amount is correct and just; that the detailed items charged for subsistence were actually paid; that the expenses were occasioned by official business or unavoidable delays requiring the stay at hotels for the time specified; that the journey was performed with all practicable dispatch by the shortest route usually traveled in the customary reasonable manner; and that I have not been furnished by others with transportation or money in lieu thereof for the journey.									
24 PERTAINS TO TRAVEL EXPENSES ONLY - This certifies that the travel shown above was required by the official duties of the traveler named to my personal knowledge, or as indicated by the records submitted to me.									
Expenses Signatures/Authorizations									
Employee's Signature	Date	Supervisor (under \$100)	Date	Next Level Manager (\$100-\$500)	Date				
<i>Stefania Jane</i>	05/30/19								
Division Manager/Next Level Supervisor (over \$500)	Date	Department Manager (over \$500)	Date	DED Internal Audit (Board Members, Chairman & ED)	Date				
<i>Stefania Jane</i>	6/3/19	<i>Chapman</i>	4/5/19	<i>McIntosh</i>	6/16/19				
Executive Director (Senior Staff only)	Date	Chairman (Board & ED only)	Date	Audit Chairman (Chairman only)	Date				

REQUIRED RECEIPTS FOR EXPENSES MUST BE ATTACHED

EXPENSE REPORT



A

1 Today's Date	2 Last Name	First Name	3 Address (If check to be mailed outside the RTA 4 Division	5 Department																												
5/31/19	Dillard	Kirk	Chairman Board	Executive																												
6 Overall business purpose (Provide when applicable to all items; otherwise, complete Column 11 for each individual item) RTA-related travel and other business expenses.																																
7 Account Name	8 Account General Ledger (GL) Code	9 AA Code	10 Amount																													
Travel Expense	000-190-52100	999	\$ 354.48																													
Business Expense	000-190-52101	999	\$ 18.81																													
(omitted from previous submission calculation)			TOTAL: \$ 373.29																													
11 Date	12 Item	13 Description of Expenditure(s)																														
4/8/19	Who/Purpose	1. Meeting with Joseph Dominguez, Pres., ComEd re: Metra Electric & CTA issues. 2. Meeting with Jim Derwinski, Metra CEO, SueAnn Rosen, re: Amtrak switching issues.																														
	Mileage/Tolls/Parking	Mileage R-A-R: 40.2 @ 58¢/mi = \$23.32 Tolls: x2 @ 75¢ = \$1.50 Parking: \$19.00																														
	Ground Transportation	Taxi: RTA to 111 W. Grand Ave.																														
4/29/19	Who/Purpose	1. Meeting with RTA staff re: prep for Senate hearing. 2. Testify before Senate Transportation Committee. 3. Attend transit union meeting and reception.																														
	Mileage/Tolls/Parking	Mileage R-B-R: 48.7 @ 58¢/mi = \$28.25 Tolls: 3 @ 75¢ = \$2.25 Parking: \$15.00																														
	Ground Transportation	RTA to/from 160 N. LaSalle (\$8.75 + \$7.00)																														
5/2/19	Who/Purpose	1. Prepare media response to One Central Station and prepaer for Lightfoot transition report with various staff. 2. Meeting with Mayor-elect transition team.																														
	Mileage/Tolls/Parking	Mileage R-O-C-R: 43.9 @ 58¢/mi = \$25.46 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00																														
	Who/Purpose	1. Meeting with Congresswoman Busto re: federal infrastructure legislation. 2. Meeting with Sam Kim, Korean Dry Cleaners Association re: sales tax base.																														
5/6/19	Mileage/Tolls/Parking	Mileage R-D-E-R: 43.8 @ 58¢/mi = \$25.40 Tolls: 2 @ 75¢ = \$1.50 Parking: \$37.00																														
	Meals	2. Yiayias Pancake House																														
5/8/19	Who/Purpose	1. Attend College of DuPage Community Calendar breakfast. 2. Meeting with Lightfoot transition team																														
	Mileage/Tolls/Parking	Mileage R-F-O-R: 56.8 @ 58¢/mi = \$32.94 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00																														
5/9/19	Who/Purpose	1. Meetings with Lightfoot transition team. 2. Meeting with Mayor Emanuel, CTA President and staff																														
	Mileage/Tolls/Parking	Mileage R-O-G-R: 45.8 @ 58¢/mi = \$26.56 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00 + \$20.00																														
15 Comments: Points of Travel for mileage: (All mileage at 58¢/mile - 2019) R - 501 Wedgeood Ct., Hinsdale (residence) O - 111 S. Wacker Dr. or 211 W. Adams St. or 315 W. Monroe St., Chicago (Office) A - RTA (318 S. Federal or 326 S. Wells) B - 4614 N. Lincoln Ave., Chicago C - 3750 Ogden Ave., Chicago D - 540 N. State St., Chicago E - 13 Grant Square, Hinsdale F - 425 Fawell Dr., Glen Ellyn G - 2400 S. Michigan Ave., Chicago																																
16 SUB-TOTAL		373.29																														
17 PREVIOUS PAGE (\$)		-																														
18 CASH ADVANCE		-																														
19 PREPAID AIR FARE		-																														
20 PREPAID REGISTRATION FEE		-																														
21a RTA CREDIT CARD CHARGES		-																														
21b PERSONAL CHARGES ON RTA CREDIT CARD		-																														
22 TOTAL DEDUCTIONS		-																														
23 TOTAL DUE EMPLOYEE (RTA)		373.29																														
24 PERTAINS TO TRAVEL EXPENSES ONLY - This certifies that the travel shown above was required by the official duties of the traveler named to my personal knowledge, or as indicated by the records submitted to me.																																
<table border="1"> <thead> <tr> <th colspan="2">Expenses/Signatures/Authorizations</th> <th>Date</th> <th>Supervisor (under \$100)</th> <th>Date</th> <th>Next Level Manager (\$100-\$500)</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Employee's Signature</td> <td><i>Kirk Dillard</i></td> <td>6/5/19</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Division Manager/Next Level Supervisor (over \$500)</td> <td></td> <td></td> <td>Department Manager (over \$500)</td> <td></td> <td>DED Internal Audit (Board Members, Chairman & ED)</td> <td></td> </tr> <tr> <td>Executive Director (Senior Staff only)</td> <td></td> <td></td> <td>Chairman (Board & ED only)</td> <td></td> <td>Audit Chairman (Chairman travel - Board approved w/vote sheet)</td> <td></td> </tr> </tbody> </table>					Expenses/Signatures/Authorizations		Date	Supervisor (under \$100)	Date	Next Level Manager (\$100-\$500)	Date	Employee's Signature	<i>Kirk Dillard</i>	6/5/19					Division Manager/Next Level Supervisor (over \$500)			Department Manager (over \$500)		DED Internal Audit (Board Members, Chairman & ED)		Executive Director (Senior Staff only)			Chairman (Board & ED only)		Audit Chairman (Chairman travel - Board approved w/vote sheet)	
Expenses/Signatures/Authorizations		Date	Supervisor (under \$100)	Date	Next Level Manager (\$100-\$500)	Date																										
Employee's Signature	<i>Kirk Dillard</i>	6/5/19																														
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REQUIRED RECEIPTS FOR EXPENSES MUST BE ATTACHED																																
Effective Date 1/1/19																																

EXPENSE REPORT



B

1 Today's Date	2 Last Name	First Name	3 Address (If check to be mailed outside the RTA 4 Division	5 Department
5/31/19	Dillard	Kirk	Chairman Board	Executive
6 Overall business purpose (Provide when applicable to all items; otherwise, complete Column 11 for each individual item) RTA-related travel and other business expenses.				
7 Account Name			8 Account General Ledger (GL) Code	9 AA Code
Travel Expense			000-190-52100	999
Business Expense			000-190-52101	999
			TOTAL:	\$ 428.64
11 Date	12 Item	13 Description of Expenditure(s)		
5/10/19	Who/Purpose	1. Meeting with Nancy Gianni, Pres., Gigi's Place re: m ADA transportation and paratransit. 2. Meeting with N. Lacombe re: executive session issues. 3. Meeting with Nick Shorr, Live Nation Entertainment re: transit services to concert venues.		
	Mileage/Tolls/Parking	Mileage R-A-R: 41.0 @ 58¢/mi = \$23.78 Tolls: 2 @ 75¢ = \$1.50 Parking: \$19.00		
	Ground Transportation	RTA to 233 N. Michigan Ave.		
5/11/19	Who/Purpose	1. Lunch meeting Oak, Walton, Michigan Ave. business leaders re: Rideshare and transit issues and meeting with Sandy Elhman, Paul Rehder, Kim Schaffer re: Bloomingdale's and Michigan Ave., beautification project. 2. Meeting with Carrie Highman, CEO NISource re: CNG transportation.		
	Mileage/Tolls/Parking	Mileage R-H-R: 44.4 @ 58¢/mi = \$25.75 Tolls: 2 @ 75¢ = \$1.50 Parking: \$35.00		
	Meals	1. Aster Hall		
5/14/19	Who/Purpose	1. Meeting with Chicago Bar Association and former Gov. Edgar re: RTA history.		
	Ground Transportation	Metra office to 321 Plymouth Ct.		
5/16/19	Who/Purpose	1. Attend RTA Board meetings. 2. Meeting with Melissa Washington, ComEd re: CTA electric service. 3. Meeting with Illinois Road Builders Association.		
	Mileage/Tolls/Parking	Mileage R-O-L-R: 63.7 @ 58¢/mi = \$36.95 Tolls: 1 @ 75¢ = \$0.75 Parking: \$22.00		
5/17/19	Who/Purpose	1. Meeting with Mayor-elect Lightfoot re: present transition report. 2. Meeting with Dan Cotter, Chicago Bar Association re: transit legal issues. 3. Attend Metropolitan Mayors Caucus Annual meeting/gala.		
	Registration	3. Metropolitan Mayors' Caucus Annual Meeting/Gala		
	Mileage/Tolls/Parking	Mileage R-J-O-K-R: 45.2 @ 58¢/mi = \$26.22 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00		
	Ground Transportation	111 S. Wacker to 321 Plymouth Ct.		
15 Comments: Points of Travel for mileage: (All mileage at 58¢/mile - 2019) R - 501 Wedgeood Ct., Hinsdale (residence) O - 111 S. Wacker Dr. or 211 W. Adams St. or 315 W. Monroe St., Chicago (Office) A - RTA (318 S. Federal or 326 S. Wells) H - 900 N. Michigan Ave., Chicago I - 205 Remington Blvd., Bolingbrook J - 1900 W. Jackson Blvd., Chicago K - 1535 S. Linn White Dr., Chicago				
16 SUB-TOTAL 17 PREVIOUS PAGE (\$ TOTAL) 18 CASH ADVANCE 19 PREPAID AIR FARE 20 PREPAID REGISTRATION FEE 21a RTA CREDIT CARD CHARGES 21b PERSONAL CHARGES ON RTA CREDIT CARD 22 TOTAL DEDUCTIONS 23 TOTAL DUE EMPLOYEE (RTA)				
24 PERTAINS TO TRAVEL EXPENSES ONLY - This certifies that the travel shown above was required by the official duties of the traveler named to my personal knowledge, or as indicated by the records submitted to me.				
Expenses Signatures/Authorizations				
Employee's Signature	Date	Supervisor (under \$100)	Date	Next Level Manager (\$100-\$500)
Division Manager/Next Level Supervisor (over \$500)	Date	Department Manager (over \$500)	Date	DED Internal Audit (Board Members, Chairman & ED)
Executive Director (Senior Staff only)	Date	Chairman (Board & ED only)	Date	Audit Chairman (Chairman travel - Board approved w/vote sheet)

Effective Date 1/1/19

REQUIRED RECEIPTS FOR EXPENSES MUST BE ATTACHED

EXPENSE REPORT



C

1 Today's Date	2 Last Name	First Name	3 Address (If check to be mailed outside the RTA 4 Division	5 Department
5/31/19	Dillard	Kirk	Chairman Board	Executive
6 Overall business purpose (Provide when applicable to all items; otherwise, complete Column 11 for each individual item) RTA-related travel and other business expenses.				
7 Account Name		8 Account General Ledger (GL) Code		9 AA Code
Travel Expense		000-190-52100		999
Business Expense		000-190-52101		999
TOTAL: \$				395.26
11 Date	12 Item	13 Description of Expenditure(s)		14 Amount
5/20/19	Who/Purpose	1. Attend Mayor Lightfoot inauguration. 2. Speak at City Club lunch. 3. Meeting with Stratford Sheilds, Loop Capital re: minority bond MBWE programs.		
	Mileage/Tolls/Parking	Mileage R-L: 421.9 @ 58¢/mi = \$12.70 Tolls: 1 @ 75¢ = \$0.75 Parking: \$13.00		\$ 26.45
	Ground Transportation	RTA to 76 E. Monroe (\$8.00) RTA to Wintrust Arena (\$15.00)		\$ 23.00
	Ground Transportation	Uber 33 W. Monroe to Residence		\$ 53.29
5/21/19	Who/Purpose	Speak at 1871 Event: re: transportation technology		
	Mileage/Tolls/Parking	Mileage R-O-R: 40.6 @ 58¢/mi = \$23.55 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00		\$ 47.05
	Ground Transportation	Merch. Mart to 111 S. Wacker (\$7.75) 100 Lower Wacker Dr. to 320 N. Wells (\$14.65)		\$ 22.40
5/23/19	Who/Purpose	1. Luncheon meeting with Courtney Shea, Columbia Capital Mgmt. re: debt service v. payDas-you-go financing		
	Meals	Union League Club		\$ 38.55
	Ground Transportation	111 S. Wacker Dr. to Union League		\$ 7.50
5/24/19	Who/Purpose	1. Taping of WLS "Connected to Chicago". 2. Meeting with Bill Cannon, WLS. 3. Meeting with Greg Hinz, Crain's Chicago Business. 4. Meeting with RTA Senior Staff.		
	Mileage/Tolls/Parking	Mileage R-O-R: 40.6 @ 58¢/mi = \$23.55 Tolls: 2 @ 75¢ = \$1.50 Parking: \$22.00		\$ 47.05
	Ground Transportation	RTA to CityFront Plaza (\$11.25) NBC Tower to RTA (\$10.25)		\$ 21.50
5/27/19	Who/Purpose	Lunch meeting with Fred Spitzerri re: Metra Legal department		
	Mileage/Tolls/Parking	Mileage R-A-R: 40.2 @ 58¢/mi = \$23.32 Tolls: 2 @ 75¢ = \$1.50 Parking: \$19.00 (no receipt)		\$ 43.82
	Meals	Steak 'N' Shake		\$ 20.83
5/28/19	Who/Purpose	1. Meeting with senior staff re: capital bill status. 2. Meeting with gaming companies re: capital bill revenues droem sports betting		
	Mileage/Tolls/Parking	Mileage R-A-R: 40.2 @ 58¢/mi = \$23.32 Tolls: 2 @ 75¢ = \$1.50 Parking: \$19.00		\$ 43.82
15 Comments: Points of Travel for mileage: (All mileage at 58¢/mile - 2019) R - 501 Wedgeood Ct., Hinsdale (residence) O - 111 S. Wacker Dr. or 211 W. Adams St. or 315 W. Monroe St., Chicago (Office) A - RTA (318 S. Federal or 326 S. Wells) L - 29 W. Ohio St., Chicago				
16 SUB-TOTAL		17 PREVIOUS PAGE (\$ TOTAL		\$ 395.26
18 CASH ADVANCE		19 PREPAID AIR FARE		\$ -
20 PREPAID REGISTRATION FEE		21a RTA CREDIT CARD CHARGES		\$ -
21b PERSONAL CHARGES ON RTA CREDIT CARD		22 TOTAL DEDUCTIONS		\$ -
23 TOTAL DUE EMPLOYEE (RTA)		24 PERTAINS TO TRAVEL EXPENSES ONLY - This certifies that the travel shown above was required by the official duties of the traveler named to my personal knowledge, or as indicated by the records submitted to me.		\$ 395.26
Expense Signatures/Authorizations Employees Signature <i>[Signature]</i> Date <i>6/5/19</i> Supervisor (under \$100) Date Division Manager/Next Level Supervisor (over \$500) Date Department Manager (over \$500) Date Executive Director (Senior Staff only) Date Chairman (Board & ED only) Date Audit Chairman (Chairman travel - Board approved w/vote sheet) Date				

Effective Date 1/1/19

REQUIRED RECEIPTS FOR EXPENSES MUST BE ATTACHED

D



Effective Date 1/1/19

REQUIRED RECEIPTS FOR EXPENSES MUST BE ATTACHED

RESOLUTION NO.

WHEREAS, Dwight A. Magalis has served as a member of the Regional Transportation Authority (RTA) Board of Directors, representing the residents of Lake County since 1999;

WHEREAS, Director Magalis is respected and admired by his fellow Board members and the staff of the RTA as a dedicated Director, who throughout his years of service provided extensive knowledge of transit, and whose financial acumen and expertise has benefited riders, residents and stakeholders;

WHEREAS, Director Magalis has served with distinction as the chairman of the Finance Committee for 15 years and as a member of the Compensation and Human Resources Committee;

WHEREAS, working with the Board of Directors, Director Magalis has been a principal in the oversight and prudent allocation of funding by programming dollars to needed infrastructure improvements in the region and providing invaluable leadership in regional transit budget and capital program planning;

WHEREAS, Director Magalis has been a staunch guardian of the taxpayer dollars of the region and served as a conscientious advocate of efficiency and cost-effectiveness; and

WHEREAS, Director Magalis' experience as Lake County administrator for 19 years as part of his work in county government provided invaluable guidance and a keen perspective to RTA Board deliberations.

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE REGIONAL TRANSPORTATION AUTHORITY HEREBY:

Honors Dwight A. Magalis for his years of conscientious and dedicated service to the people of Northeastern Illinois and for his commitment to enhancing the stability and integrity of the region's public transportation system for all the residents of the region.

RESOLUTION NO.

WHEREAS, Patrick J. Durante has served as a member of the Regional Transportation Authority (RTA) Board of Directors, representing the residents of DuPage County since 1999;

WHEREAS, Director Durante is respected and admired by his fellow Board members and the staff of the RTA as a dedicated Director, who throughout his years of service provided extensive knowledge of transit and has benefited riders, residents and stakeholders;

WHEREAS, Director Durante has served with distinction as the chairman of the Audit Committee and as a member of the Planning and Administration Committee;

WHEREAS, working with the Board of Directors, Director Durante has been a principal in the oversight and administration of RTA allocation of state and federal funding to provide residents access to transit throughout the region;

WHEREAS, Director Durante has been a staunch guardian of the taxpayer dollars of the region and served as a conscientious advocate of efficiency and cost-effectiveness; and

WHEREAS, Director Durante's experience as Executive Assistant to the late US Congressman Henry Hyde for more than 30 years provided invaluable experience in public service and a keen perspective to RTA Board deliberations.

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE REGIONAL TRANSPORTATION AUTHORITY HEREBY:

Honors Patrick J. Durante for his years of conscientious and dedicated service to the people of Northeastern Illinois and for his commitment to enhancing the stability and integrity of the region's public transportation system for all the residents of the region.