Metra's 2002 Program and Budget has been reformatted for the Web

547 West Jackson Boulevard
Chicago, Illinois 60661-5717

Phone (312) 322-6900
Web http://www.metrarail.com

Metra

CREATING CAPACITY FOR GROWTH

FINAL 2002

PROGRAM AND BUDGET

NOVEMBER 2001

Board of Directors

Jeffrey R. Ladd, Chairman
Appointing Authority:
County Board Chairmen, Kane, Lake, McHenry and Will Counties

Lowell E. Anderson, Treasurer
Appointing Authority:
Suburban Members, Cook County Board

Larry A. Huggins, Director
Appointing Authority:
City of Chicago

W. Warren Nugent, Secretary
Appointing Authority:
Suburban Members, Cook County Board

Gerald L. Porter, Vice-Chairman
Appointing Authority:
County Board Chairman, DuPage County

Joseph A. Tecson, Director
Appointing Authority:
Suburban Members, Cook County Board

Donald A. Udstuen, Director
Appointing Authority:
County Board Chairmen, Kane, Lake, McHenry and Will Counties

Philip A. Pagano, Executive Director

Metra

Chairman's Message

TO FRIENDS OF COMMUTER RAIL:

Welcome to Metra's 2002 Program and Budget. It describes good news such as further ridership growth, steady progress on our three New Start projects, and ongoing capital improvements including orders for badly needed new cars and locomotives.

Meanwhile, the costs of providing safe, reliable, convenient and comfortable commuter rail service have steadily increased. Thus, our proposed 2002 operating budget envisions our first fare increase in six years,
5%, which will likely take effect June 1.

I think it's important to note that this will be only the fourth fare increase in the 18 years of Metra's management of the Northeast Illinois commuter rail system. And it will be only the third one for operations.

A fare hike that took effect in 1989 was dedicated solely to capital projects, namely the physical improvements that preserve and improve our service — and in turn reduce operating costs. By the end of 2002, that will have provided approximately $113 million for capital improvements.

Metra ticket prices have risen only 5% since 1996, the year of the last increase. Even with the 2002 fare increase, the cost of riding commuter trains will have risen only 20% since 1984, the year Metra assumed control, compared with a 74% increase in the cost of living index and a 51% increase in the cost of gasoline.

In that context and in view of further cost pressures, we believe our fare increase is both prudent and
reasonable. With it comes our pledge that we will continue to operate our service in the most cost effective manner consistent with safety and reliability. Our 2002 document provides the details of how we'll keep that pledge.

For the Board,

Final 2002 Program and Budget

November 2001

Table of Contents

List Of Illustrations:

Figures:

Tables:

Creating capacity for further growth

Our capital needs are great but so is competition for federal funds,

Metra is in a growth market. Through the first 10 months of 2001, our ridership seemed headed for another annual record. The 2000 total was 81.9 million passenger trips, for the fifth yearly record in a row. That was the most annual rail commuter trips in the 32 years for which historical records are available.

We now provide well over 300,000 weekday trips with an average distance of 22 miles. We do that as
a true regional passenger railroad linking Chicago's dynamic core with thriving suburbs and reviving
city neighborhoods.

Throughout our six-county Northeast Illinois Region, the number of commuter trips taken every year is expected to keep rising for the foreseeable future.

That's great news, but it causes concern about how we will create more capacity. That is, how we will provide more seats to handle further growth.

Ironically, our concern stems from other good news: the growing attraction of rail transit as an alternative to roads in congested urban areas. That has greatly increased the nationwide competition for federal funds for new or expanded transit service.

It stands to reason that we can't provide more service, let alone maintain present service, without dependable passenger cars and locomotives, solid infrastructure like track, bridges and signals, and adequate stations and parking.

Railroads are capital intensive enterprises, and Metra is no exception. Since assuming direct responsibility for the region's commuter rail service in 1984, Metra has invested more than $3.6 billion in strategic capital improvements. We have largely rebuilt the Region's commuter routes – and transformed them into a well maintained system that consistently provides service that is reliable and comfortable and, above all, safe.

Nonetheless, we need to invest an enormous amount of money in further physical improvements. Our 2002-2006 capital program will cost nearly $2 billion. Details can be found in the Capital Program section. Major elements of the program include 26 new locomotives and 326 new passenger cars, for badly needed replacement of old rolling stock as well as for expanded service. Our program also includes further rebuilding of 90-year-old bridges, ongoing rehabilitation of aging cars and locomotives, the largest station improvement program in Metra's history, and service expansion and/or extension on three routes.

Where will the money come from? Sources include two unusual Metra self-help programs, which will be discussed shortly, along with the

Providing more seats to handle further growth safely and reliably is the primary objective of ongoing

Metra's capital program includes ongoing rehabilitation of rolling stock, including 25-year-old locomotives such as this one shown outside the 47th Street shop in Chicago where rebuilding is done by Metra employees.

The current capital program includes the largest station improvement program in Metra's history, with complete replacement of the Electric District's Hyde Park stations as a major component.

primary federal and state programs.

The federal government provides capital funding through the Transportation Equity Act for the 21st Century, otherwise known as TEA-21. Through various provisions, TEA-21 covers up to 80% of capital project costs.

The State of Illinois provides capital assistance through the Illinois FIRST program. It will provide the funds for our new commuter cars, which would not be possible without this help. In addition, this state program provides the entire 20% local match for our new locomotives and nearly half of the 40% local match for our service expansions/extensions. Finally, Illinois FIRST will help us to accelerate our critical bridge rebuilding.

Clear needs, unclear funding

Beyond 2003, the final year for TEA-21, and beyond 2004, the final year for Illinois FIRST, the capital outlook is cloudy. But our needs are crystal clear.

We simply must keep reclaiming and modernizing our physical plant. Therein lies the capital challenge. Our infrastructure ranks among the oldest in the United States. Trains have been carrying commuters in and out of downtown Chicago for nearly 150 years.

To keep the capital challenge from becoming a capital crisis, we will need further generous support at both the state and federal levels. Successors to both TEA-21 and Illinois FIRST are now under discussion. We are determined to make our needs known.

Those needs include further replacement of aging railcars and locomotives, especially our electric Highliner fleet; further rebuilding of bridges dating back to the early 1900s; the replacement of a major maintenance shop and yard that opened in 1926 as a "temporary" facility; major track and signal improvements on our Union Pacific West route; and the purging of the outmoded, high-maintenance jointed rail from 36 track miles of our Milwaukee West route, the last of this type of rail in the entire system.

We also need funds for a systemwide program of separating our track from the roads and highways that cross them. This is widely recognized as a winning proposition for all parties. It improves safety and service for our customers. And it improves traffic flow through our communities. Construction of a single road underpass or overpass, however, can cost from $5 million to $50 million. We have identified 225 grade crossings, about half of our system total, as candidates for separation based on their vehicular volume.

Yet to be quantified are the physical improvements that will be critical to the co-existence of commuter and freight trains in North America's busiest railroad hub. Chicago alone handles about 22% of all the carloads of the major U.S. and

Completed in 1996 over Metra's busiest route, the Burlington Northern, the Eola Road overpass on Aurora's east side is an example of how separation of busy tracks from busy roads improves traffic flow through communities as well as safety and service for commuters. Such projects, however, can cost from $5 million to $50 million.

Canadian railroads. More than 500 freight trains operate in or through Chicago every weekday, in addition to 700 Metra commuter trains. Freight trains share and/or cross all but one of the region's 12 commuter routes.

We are working with other railroads to identify such physical improvements as additional trackage, route crossing separation, and signal improvements. These will ease congestion, reduce interference, and improve train flow. But they will be very costly.

The foregoing pertains largely to our existing service. We also face enormous capital needs for future service expansion, especially on two freight routes that would see completely new, suburb-to-suburb commuter operations. These are now in the second phase of feasibility study, but we already know that the cost of upgrading these routes for passenger service will be enormous.

Our performance argues for further government support

We will continue to seek capital funding with the belief that our record of responsible and productive use of government funds clearly proves that we deserve further support. Equally persuasive, we contend, are two other elements of our businesslike approach to regional passenger railroading.

One is unique to the transit industry, namely the fare increase that took effect in 1989 with our promise that all proceeds would go toward capital improvements. Through late 2001, that increase has generated about $103 million. As we provide more and longer passenger trips, the farebox provides even further revenue for improvements.

The other source of Metra-generated capital funds, also highly unusual, is the surplus in our annual operating subsidy. Provided by the Regional Transportation Authority (RTA), this subsidy comes from the transit-dedicated proceeds of a six-county sales tax.

For capital projects, the RTA allows us to transfer much of what we save from our budgeted operating subsidy each year to capital projects. These "plowback" funds make a sizable contribution – over $30 million a year – to our capital programs.

As impressive as our self-help funding may be, it's clearly not enough to cover huge capital needs. We will always need government help. However, more regions around the U.S. are pursuing rail transit as an alternative to congested roadways. Because there is more competition for federal help than ever before in our history, our projects will have to be even better conceived and their justification more compelling.

Capital projects are prioritized according to how well they will reduce the costs and increase the reliability of commuter service

Page Intentionally Blank

Operations overview

Scope

Metra oversees all commuter rail operations in the six-county Northeast Illinois Region, with responsibility for safety, operations, fare and service levels, capital improvements, and system planning. Our business is to provide safe, clean, on-time service and to promote commuter rail as a major component of the Region's transportation network.

Commuter trains serve city and suburban stations over 12 main and four branch lines totaling 546 route miles. Service is operated by private railroads Union Pacific and Burlington Northern Santa Fe under purchase-of-service contracts, as well as directly by Metra over routes owned by Metra or freight carriers.

Another Metra partner is the South Shore Line, owned and operated by the Northern Indiana Commuter Transportation District. Providing service between Chicago and South Bend, Indiana, the South Shore Line shares Metra/Electric right-of-way between downtown and 115th Street. Under a unique funding contract with the District, Metra pays a percentage of the operating costs, based on service operated within Illinois.

Metra routes handled more than 81.9 million passenger trips in 2000. That represented the fourth record year in a row and the most trips for one year on Chicago commuter routes in the 32 years for which historical ridership statistics are available. In terms of ridership, Metra is the second largest commuter railroad in North America. More than 700 trains provide well over 300,000 passenger trips each weekday.

The Metra organization includes a full range of administrative, financial, and operational functions necessary to carry out systemwide oversight. Full details on commuter service provided by Metra and the individual carriers are included in the Appendix.

New cars and locomotives

Metra looks forward to replacing many of its

Installation of a satellite based train tracking system throughout Metra started in November 2001 after over a year of testing on two routes. The system will support timely, automated, on-board announcements for commuters and better analysis of operations for Metra service planners.

oldest commuter railcars. In December 2000 the board of directors approved the largest procurement of commuter train rolling stock in Illinois history.

Valued at almost $400 million, 300 new stainless steel bi-level cars will allow Metra to replace more than 250 of the oldest cars operated on Union Pacific and Burlington Northern Santa Fe and to add trains on the North Central and SouthWest lines. The new cars will generally resemble the accessible bi-levels delivered between 1995 and 1998. Funds from the Illinois FIRST program will cover the entire car procurement cost.

Because of favorable contract terms, Metra will apply savings from its car procurement toward a 2002 order for 26 self-propelled Highliner cars for the Electric District. This will give Metra a head start on replacing Electric equipment that dates back to the early 1970s.

A month following the new car announcement, the board of directors also approved an $80 million order for 26 new, more efficient and more powerful locomotives. Fifteen of these will replace units that went into service in 1974 on the Elgin and Fox Lake routes. All 15 have been rebuilt twice by Metra. Further rebuilding would not be cost effective.

Of the remainder, seven new locomotives will replace units yet to be designated and four will go for planned service increases.

The federal government through the Federal Transit Administration will cover 80% of the new locomotives' cost, while Illinois FIRST will provide the entire 20 percent local match.

Assuming things go as scheduled, all new equipment will be in service by late 2005.

Train information management system

Installation of a wireless communication network designed to provide commuters and Metra staff with real-time information on train service for all Metra routes started in 2001.

Starting as a demonstration project on the SouthWest Service and Milwaukee North in 1999, the Train Information Management System (TIMS) has proved to be advantageous in better informing commuters about service conditions during trips to and from downtown.

The TIMS develops information through the use of satellite broadcast signals received by equipment at various locations. The equipment processes the signals and calculates the exact geographic location of the train, which will trigger real-time audio train announcements regarding station stops, train delays, or other emergencies. In addition to keeping on-board customers informed, messages will be relayed to platform public address systems and also visual Lighted Electronic Displays.

The global positioning data will be transmitted from each train to a main Metra computer. Metra's entire cab car fleet will be equipped with on-board computers containing a database of automated messages to be used as necessary. Metra personnel will be able to change messages from the various terminal locations.

Passenger information will initially be limited to automated on-board messages. In later phases, the system will be expanded to include both auditory and visual messages at all outlying stations.

Metra expansion projects

Metra in late 2001 was engaged in final engineering and design for three expansion projects. The Central Kane Corridor project will result in an extension of commuter service on the Union Pacific West line from Geneva westward to Elburn. Capital improvements include a third main-line track west of Randall Road to Elburn, two new stations and a new rail yard in Elburn. Service will not grow immediately beyond the current 59 trains, but operations will improve.

The North Central Corridor project will upgrade service on the North Central. Up to 22 trains (compared with 10 at present) will be operated on weekdays, providing more frequent peak and bi-hourly off-peak service. Capital improvements include additional main-line track, track and signal upgrades on the Milwaukee District West Line, five new stations, and added parking capacity at existing stations.

The SouthWest Corridor project will result in a partial upgrade of the SouthWest Service (SWS), and an extension of commuter service from

179th Street in Orland Park southward to Manhattan. Thirty trains (compared with 16 at present) will be operated on weekdays between Orland Park and downtown, including four trains from Manhattan. A broad range of track and signal improvements is required to implement this additional service and to address the operational bottlenecks which now affect the reliability of SWS trains. Other improvements include a new rail yard in Manhattan, an expanded rail yard in Orland Park, more parking at existing stations, and two new stations.

These projects received funding for preliminary engineering and environmental assessment in 1998. Federal funding for 1999 was appropriated and was being used for final design. Federal funding appropriated for 2000 and 2001 is being used to complete final engineering and initiate construction activities. We are confident that sufficient federal funding will be appropriated for 2002 so that we can proceed to construction.

Service changes

In early January 2001, service was initiated to the new North Glenview station on the Milwaukee North Line, along with schedule adjustments on the Milwaukee North and West lines for improved reliability.

For 2002, schedule revisions are planned for the Rock Island District to increase rush hour capacity for the rapidly growing main line communities southwest of Blue Island, and to improve off-peak train schedules.

Until new locomotives are received in the next few years, further expansion of commuter service will be quite limited. Meanwhile, we will continue exploring refinements of existing service.

Commuter rail fares

Metra's commuter rail fares are calculated on base fare plus an increment for each five-mile fare zone.

Operations begin at each rail line's downtown Chicago station. The current base one-way fare is $1.75. Prices for most other ticket types are set by multiples of the applicable one-way fare. The zone system does not apply to the South Shore fares, which are set by the Northern Indiana Commuter Transportation District. See the Appendix for detailed information on the Metra fare-zone system and rate schedules.

Accessibility

The Americans with Disabilities Act (ADA) of 1990 mandated that key commuter stations and at least one car per train be accessible. As a result, Metra has designated one key station in each five-mile fare zone. Key station improvements may include accessible parking (where parking is available), curb cuts, ramps and/or elevators, wider doorways, new or rebuilt restrooms, tactile strips to mark the edge of platforms and improved signage. We have completed accessibility work at 64 of our 73 key stations. We have also provided a visual information system which displays the same information as the public address system voice announcements. The remaining nine key stations requiring significant structural changes are programmed for completion in 2001 (seven) and 2002 (two).

All Metra trains are now accessible. Accessible Station Connecting Service provides transportation to and from the nearest accessible train station for those who are within $^{1}/_{2}$-mile of an inaccessible station and request a ride to the station.

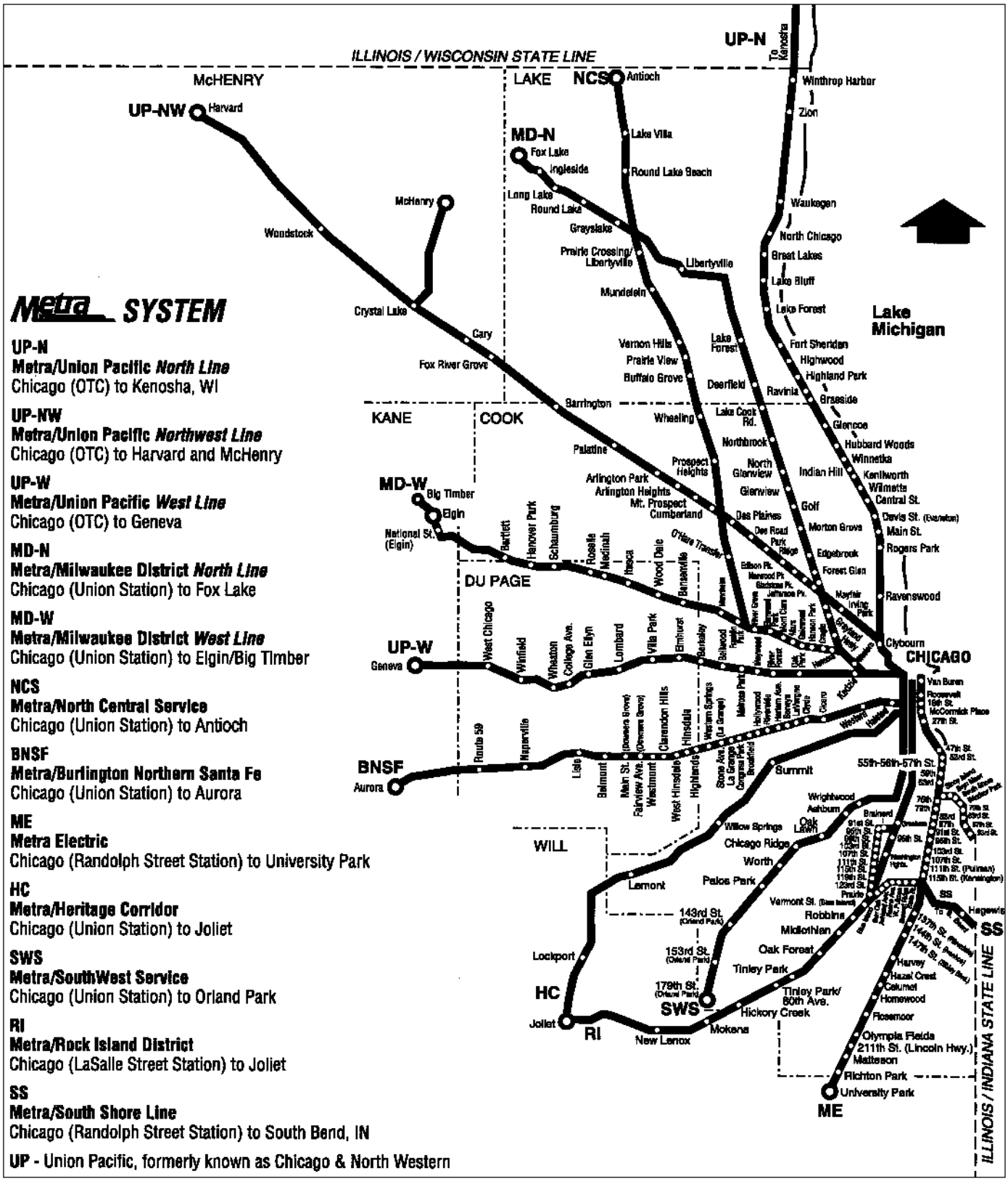
Safety and Rules

Several more components of the new federal regulation 49 CFR 238, Passenger Equipment Safety Standards, were phased in over the past year. The purpose of this regulation is to reduce the impact of collisions, derailments, and other occurrences involving railroad passenger equipment.

New structural requirements for passenger equipment, as well as inspection, testing, and maintenance procedures were revised.

Metra operations personnel attended training classes in new procedures for the testing of air brake equipment on all trains. These employees had to pass comprehensive tests to comply with the new regulations. In fact, this process was implemented eight months ahead of schedule on the Rock Island District and four months ahead of schedule on the Milwaukee District. Specific safety planning requirements for passenger

Route Map


ILLINOIS / WISCONSIN STATE LINE
McHENRY
LAKE
KANE
COOK
DU PAGE
WILL
UP-N
To Kenosha
NCS
Antioch
Winthrop Harbor
Zion
Waukegan
North Chicago
Great Lakes
Lake Bluff
Lake Forest
Fort Sheridan
Highwood
Highland Park
Braeside
Glencoe
Hubbard Woods
Winnetka
Kenilworth
Wilmette
Central St.
Davis St. (Evanston)
Main St.
Rogers Park
Ravenswood
Clybourn
CHICAGO
Van Buren
Roosevelt
16th St.
McCormick Place
27th St.
47th St.
55th-56th-57th St.
Summit
Lake Michigan
UP-NW
Harvard
MD-N
Fox Lake
Ingleside
Lake Villa
Round Lake Beach
Long Lake
Round Lake
McHenry
Woodstock
Grayslake
Prairie Crossing/ Libertyville
Libertyville
Mundelein
Crystal Lake
Cary
Fox River Grove
Vernon Hills
Prairie View
Buffalo Grove
Lake Forest
Deerfield
Ravinia
Barrington
Wheeling
Lake Cook Rd.
Northbrook
Palatine
Prospect Heights
North Glenview
Glenview
Indian Hill
Arlington Park
Arlington Heights
Mt. Prospect
Cumberland
Des Plaines
Golf
Morton Grove
Des Road Park Ridge
Edgebrook
Forest Glen
MD-W
Big Timber
Elgin
National St. (Elgin)
Bartlett
Hanover Park
Schaumburg
Roselle
Medinah
Itasca
Wood Dale
Bensenville
O'Hare Transfer
Edison Pk.
Norwood Pk.
Gladstone Pk.
Jefferson Pk.
Mayfair
Irving Park
UP-W
Geneva
West Chicago
Winfield
Wheaton
College Ave.
Glen Ellyn
Lombard
Villa Park
Elmhurst
Berkeley
Bellwood
Melrose Park
Oak Park
Kedzie
Western
Halsted
BNSF
Aurora
Route 59
Naperville
Lisle
Belmont
Main St.
Fairview Ave.
Westmont
Clarendon Hills
West Hinsdale
Hinsdale
Western Springs
Highlands
Stone Ave. (La Grange)
La Grange Park
Congress Park
Broadview
Hollywood
Riverside
Harlem Ave.
Berwyn
LaVergne
Cicero
Willow Springs
Oak Lawn
Chicago Ridge
Worth
Palos Park
Lemont
143rd St. (Orland Park)
153rd St. (Orland Park)
179th St. (Orland Park)
Lockport
Joliet
HC
RI
SWS
New Lenox
Mokena
Wrightwood
Ashburn
Brainerd
91st St.
95th St.
99th St.
103rd St.
107th St.
111th St.
115th St.
119th St.
123rd St.
Prairie
Vermont St. (Blue Island)
Robbins
Midlothian
Oak Forest
Tinley Park
Tinley Park/ 80th Ave.
Hickory Creek
Harvey
Hazel Crest
Calumet
Homewood
Flossmoor
Olympia Fields
211th St. (Lincoln Hwy.)
Matteson
Richton Park
University Park
ME
SS
Hegewisch
To Gary
137th St. (Riverdale)
144th St. (Phoenix)
147th St. (Blue Island)
ILLINOIS / INDIANA STATE LINE
Metra SYSTEM
UP-N
Metra/Union Pacific North Line
Chicago (OTC) to Kenosha, WI
UP-NW
Metra/Union Pacific Northwest Line
Chicago (OTC) to Harvard and McHenry
UP-W
Metra/Union Pacific West Line
Chicago (OTC) to Geneva
MD-N
Metra/Milwaukee District North Line
Chicago (Union Station) to Fox Lake
MD-W
Metra/Milwaukee District West Line
Chicago (Union Station) to Elgin/Big Timber
NCS
Metra/North Central Service
Chicago (Union Station) to Antioch
BNSF
Metra/Burlington Northern Santa Fe
Chicago (Union Station) to Aurora
ME
Metra Electric
Chicago (Randolph Street Station) to University Park
HC
Metra/Heritage Corridor
Chicago (Union Station) to Joliet
SWS
Metra/SouthWest Service
Chicago (Union Station) to Orland Park
RI
Metra/Rock Island District
Chicago (LaSalle Street Station) to Joliet
SS
Metra/South Shore Line
Chicago (Randolph Street Station) to South Bend, IN
UP - Union Pacific, formerly known as Chicago & North Western

Metra Milestones

June 1981	Regional Transportation Authority (RTA) takes over commuter service of bankrupt Rock Island Railroad through Northeast Illinois Regional Commuter Railroad Corporation generally known as NIRC.
October 1982	NIRC assumes control of commuter service of bankrupt Milwaukee Road commuter operations.
October 1983	Formation of Labor/Management Committee, first of its kind in commuter railroading, a program still in full operation today.
November 1983	The Illinois Legislature amends RTA Act to create separate service boards responsible for commuter rail, Chicago Transit Authority rail and bus service, and suburban bus service.
June 1984	First meeting of the Board of Directors of the Commuter Rail Board
July 1985	Metra name and logo adopted.
February 1986	First systemwide fare increase in 4 years.
August 1986	New Joliet coach yard and Blue Island maintenance of way facility opened.
May 1987	Commuter service of the Illinois Central Gulf Railroad acquired.
June 1988	Dedication of new $22 million 14th Street maintenance facility for Metra/Burlington Northern trains, first total reconstruction of major commuter fleet facility in northeast Illinois in 30 years.
February 1989	Fare increase for capital projects – (remains unique in the transit industry).
April 1989	Metra hosts APTA's 1st full-fledged Commuter Rail Conference.
April 1990	30 new diesel locomotives ordered.
May 1990	Completion of $44.5 million Western Avenue train maintenance facility.
May 1991	Metra participates in Amtrak's $32 million renovation of Chicago Union Station, then terminal for five Metra routes.
January 1992	30 new F40PHM-2 locomotives are delivered.
April 1992	Completion of $75 million rehabilitation of Rock Island District's LaSalle Street Station.
Summer 1992	FAST (Future Agenda for Suburban Transportation) program unveiled.
April 1993	First rehabbed Electric Highliner delivered.
July 1993	Dedication of Electric District Kensington Yard.
April 1994	Metra hosts 7th annual APTA Commuter Rail Conference.
December 1994	SouthWest Service extended from 153rd Street to 179th Street in Orland Park.
March 1995	First gallery car delivered with motorized lift for disabled riders.
February 1996	3rd fare increase in Metra history.
Summer 1996	Completion of $73 million Chicago Passenger Terminal Rehabilitation.
August 1996	North Central Service starts as first new Chicago commuter operation in 70 years.
May 1997	Apprentice Program launched for skilled crafts, first in commuter rail industry.
October 1997	Dedication of Richard B. Ogilvie Transportation Center (formerly Chicago Passenger Terminal).
April 1998	All trains are accessible according to Americans with Disabilities Act.
March 2000	Apprentice Program recognized by National Transit Institute's Model Program Award.
August 2000	Addition of three trains to Burlington Northern Santa Fe schedule raised Metra system weekday total to 705, compared with 603 in June 1984.
January 2001	North Glenview station opens on Milwaukee North Line.
January 2001	Orders placed for 26 new locomotives and 300 new cars.
February 2001	Announcement of 20 year ridership record for 2000: 81.9 million passenger trips.
June 2001	$8.5 million station dedicated at 93rd Street on Electric South Chicago branch.
December 2001	Satellite based train tracking system installed on all Metra routes after testing since 1999.

Page Intentionally Blank

Budget Overview

Metra's operating budget for 2002 meets the challenges of a difficult operating environment with a combination of cost control and a modest 5% fare increase, the first since 1996. Metra strives to achieve its service goals in a fiscally responsible manner. On the one hand, Metra refines and selectively expands service to better meet our customers' needs and Metra's mandate to provide safe, reliable rail transportation to the Northeast Illinois Region. On the other hand, Metra must balance the costs of these improvements and the ever-increasing cost pressures of providing existing service against the funding needs for capital programs. By controlling costs in the budgeting process, Metra will meet these goals in 2002 and will dedicate $38.2 million to the Capital Program. Metra's last fare increase was in 1996 and has lasted for six years. The increase averages less than 1% per year since 1996.

The mid-year 5% fare increase is conservative in its long-range view and should cover our needs through the 2002-2004 time frame. The 2002 Recovery Ratio of 55.3% eventually stabilizes at 55.0% in 2004.

- Health Insurance, projected to increase 11.8% or $4.2 million over the 2001 Budget and 6.6% or $2.4 million over the 2001 Forecast.
- Railroad Retirement Taxes, projected to increase 4.7% or $2.3 million over the 2001 Budget and 3.4% or $1.7 million over the 2001 Forecast.

Expenses in 2002 are projected to increase 4.7% or $20.0 million over the 2001 Budget. Included in that growth are:

Consistent with the entire transportation industry, Metra's base operating expenses increased because of higher diesel fuel costs. Diesel fuel is currently estimated at an average of $0.85 cents per gallon versus a budget of $0.80 in 2001. For 2002, the projection is an average price of $0.88 per gallon.

After the impacts of these shifts in the operating cost structure were incorporated into the financial projections, the bulk of the development of the 2002 Operating Budget and the 2003 and 2004 Financial Plans was based upon contractual rate changes and moderate rates of inflation.

Revenues

Passenger revenues are projected to be $8.8 million or 4.8% over the 2001 Budget, including the mid-year 5% increase, which will yield an estimated $3.4 million in 2002. Overall, passenger revenues are projected to grow to $192.6 million.

Other revenues are projected to total $50.2 million. These include capital grant project reimbursements, lease income, investment income, joint facility income from other railroads for services provided by Metra, and advertising income.

Grant project credits are reimbursements for the management of capital projects and for indirect costs. Lease income is generated from land leases, office and station tenants, and the use of Metra tracks by other railroads, principally for freight traffic. Investment income is generated by cash held pending disbursement for corporate purposes. Joint facility revenue is generated from charges to other railroads for the operation and maintenance by Metra of shared rail facilities. Advertising includes revenue from billboards along the right-of-way and signboards at stations and on most of Metra's coach fleet.

Also included in revenues for 2002 is $2.9 million of estimated proceeds from the State of Illinois for the Reduced Fare Reimbursement Program. The intent of this program is to reimburse Metra for part of the half-fare discount provided to senior citizens, students and mobility-limited individuals.

Expenses

Metra Operating Budget Comparisons
2002 Budget vs. 2001 Estimate and Prior Budgets 2002 Financial Plan

Table 1

($ in 000's)

	2001 Budget	2001 Estimate	2002 Budget	% Change From 2001 Estimate	2002 Financial Plan	Changes from 2002 Financial Plan Amount	Changes from 2002 Financial Plan Percent
Total Revenue	$233,355	$239,717	$245,747	2.52%	$243,250	$2,497	1.03%
Base Expense	394,483	394,871	410,355	3.92%	409,711	644	0.16%
Health Insurance Expense	35,110	36,821	39,266	6.64%	37,944	1,322	3.48%
Total Expense	$429,593	$431,692	$449,621	4.15%	$447,655	$1,966	0.44%
Total Deficit	$196,238	$191,975	203,874	6.20%	$204,405	$(531)	-0.26%

As illustrated in Table 1, the 2002 expense budget for continuing operations (Base Expense) is 3.92% greater than the 2001 estimate. After provision for higher Health Insurance costs, the 2002 budget is 4.15% higher than the 2001 estimate.

Expense growth has been contained by an ongoing review of programs for expense savings and reductions. One measure of the success of these efforts is comparison to the year 2002 Financial Plan contained in the 2001 Budget document. As shown in Table 1, the 2002 Budget Base Expense (excluding Health Insurance) is less than 0.2% over the corresponding base expenses estimated in the 2002 Financial Plan. Total Expense is only 0.44% higher. This growth is offset by higher projected revenues that result in a proposed 2002 budget that is $0.5 million less than that projected in the 2002 Financial Plan.

Base Operations

In addition to the impact of higher Health Insurance premiums, other costs can affect the growth of the Budget.

Severe weather, particularly in winter can seriously disrupt commuter service. Metra responded to possible severe winter weather in 2001-2002 with planning, preparation, and the latest technology. Snow removal equipment recently acquired to deal with such situations was ready to go, and plans for staffing and using the equipment were continually reviewed and updated. Coach and locomotive servicing activities were analyzed and prioritized to identify activities that could be postponed during emergencies so trains would be ready for the rush hours.

A big problem that surfaced during the winter of 2000-2001 was the buildup of ice on cars and locomotives. As trains would pass over the uneven surfaces of track switches, the ice would shake off and fall into the switches, jamming them and delaying the movement of other trains. Solutions to this problem included de-icing equipment and moving SouthWest Service and Heritage Corridor train servicing from the Western Avenue Shop north of Union Station to the 14th Street Shop south of there, reducing the distance trains move between assignments.

An important part of Metra's emergency response plans is information gathering and sharing for employees and passengers alike. In 2001, Metra installed Global Positioning System (GPS) equipment on its trains. The GPS system is tied into a communication system called GeoFocus, which allows Metra managers to determine the location of Metra trains and to contact the train crews to determine the reasons for delays. Thus service can be adjusted more quickly, and more accurate announcements can be made to the passengers regarding delays. In addition, train crews and other operations personnel have been equipped with cell phones,

which will expand the capabilities of the train radio system, and provide a communications channel for other personnel.

During 2001, Metra concluded new wage agreements with its labor unions for its employees. The agreements reached with some of Metra's unions are in effect for up to seven years. However, while the purchase of service carrier wage agreements with their employees expired at the end of 1999 and negotiations commenced in 2000, negotiations are not yet concluded. The 2002 budget includes estimated expense growth consistent with the pattern of Metra's agreements. It is possible however, that wages may grow at a higher rate than Metra estimated, as a result of the not-yet-concluded negotiations

Payroll Taxes have been budgeted to increase in accordance with the budgeted increases in contract and non-contract wages. Health Insurance premiums are budgeted to increase at 6.64% over the 2001 level. With prudent pension fund management and sound financial practices for the fifth consecutive year, no pension contribution will be required for Northeast Illinois Regional Commuter Railroad Corporation (NIRCRC) non-contract employees in 2002.

Materials and Other Expenses projections are based upon existing contract terms, estimates provided by Metra managers, and applicable indices such as those provided in the Regional Transportation Authority (RTA) Budget Call.

Metra will continue to monitor expenses to maintain budgetary control and to ensure achievement of the 55.3% recovery ratio mark in 2002.

2003-2004 Financial Plan

Metra's projections for 2003 and 2004 are characterized by moderate growth in both revenue and expense, predicated on reasonable conditions for
revenue growth, as well as continuing cost containment efforts for expense. As noted above, the
proposed 2002 fare increase should be adequate
for the 2002-2004 time frame, with the 2004 Recovery Ratio at 55%.

Development Process

The Metra Operating Budget and Financial Plan was developed with the objective of holding costs down while striving to meet the continuing challenges of improving services and complying with increasingly more comprehensive and complex regulatory mandates, while achieving and maintaining a region-high 55.3% revenue recovery ratio. Expenses were projected based upon analysis of current expenses, economic forecasts and existing contracts. Information was received from contract carriers and Metra departments regarding projections of ridership and the costs of commuter operations. Included were staffing requirements for operating and support services, various price and rate changes and other information related to railroad operations.

Using the information provided, the 2002 Preliminary Budget and 2003-2004 Financial Plan were assembled and reviewed by Metra

Calculation of 2002-2004 Farebox Recovery Ratios

Table 2

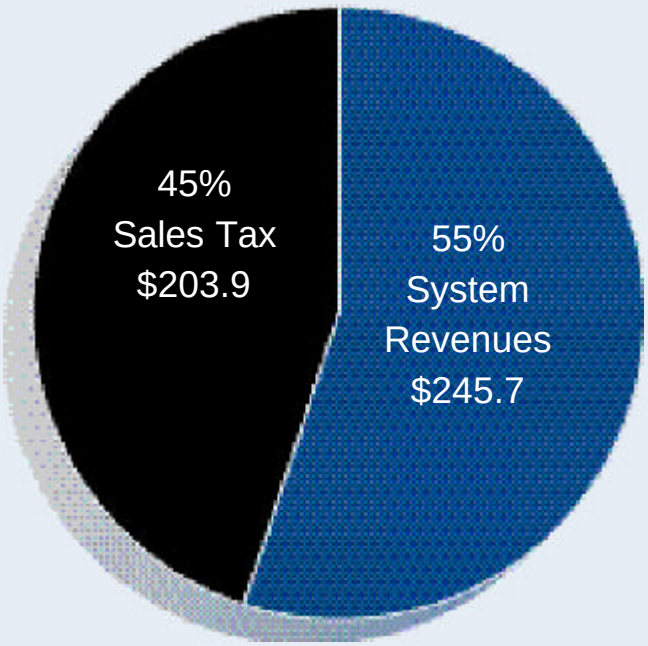
($ in OOO's)

	2002	2003	2004
Farebox Recovery Ratio Revenue	$245,747	$255,335	$265,262
Funded Operating Expenses	$449,621	$468,701	$487,660
Exclusions from Recovery Ratio	(5,232)	(5,298)	(5,366)
Farebox Recovery Ratio Expenses	$444,389	$463,403	$482,294
Ratio of Revenue to Allowable Expenses	55.30%	55.10%	55.00%

2002 Operating Program

Figure 1

Sources of Funds ($ in Millions)

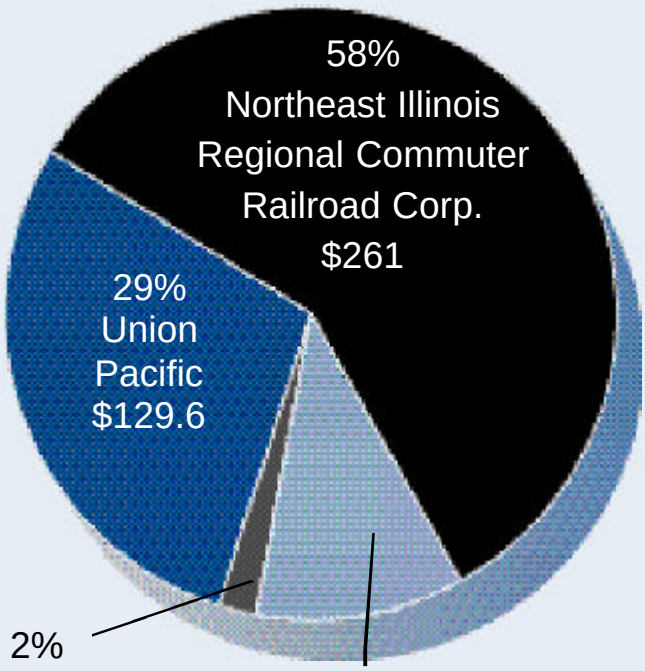


Total Sources of Funds: $449.6

2002 Operating Program

Figure 2

Uses of Funds ($ in Millions)



Total Uses of Funds: $449.6

management working under the direction of the Budget Committee of the Metra Board of Directors. The Budget and Financial Plan were then forwarded to the RTA for its review. The RTA has established an operating deficit funding mark for Metra for each of the years 2002, 2003 and 2004 and a required revenue recovery ratio of 55.3% in 2002. The Financial Plans for 2003 and 2004 developed by Metra project farebox recovery ratios of 55.1% and 55.0% respectively each year. A final proposed 2002 Budget and 2003-2004 Financial Plan was submitted to the RTA in November for adoption.

The revenue recovery ratio established for each year represents the ratio of Metra system revenues to expenses, less certain deductions, that must be achieved. The proceeds from Metra's Capital Farebox Financing Program are excluded from the 2002 through 2004 farebox recovery ratio calculations, as presented in Table 2.

The funding marks established by the RTA represent Metra's estimated share of regional sales and replacement taxes distributed by statutory formula. No federal operating assistance is received. Figures 1 and 2 summarize Metra funding requirements related to the 2002 operating program. Metra's operating revenues and share of 2002 sales and replacement tax proceeds fully fund all operating costs and provide $38.2 million for Metra's 2002 Capital Program. Those funds available for capital are the direct result of the many years Metra has strived to contain costs and improve revenues so that the maximum investment in capital projects can be made.

In addition to sales tax proceeds, funds generated from Metra's Capital Farebox Financing Program and operational savings are used for the Metra Capital Program. In 2002, $38.2 million in operating funds available for Capital Programs, together with the $9.6 million to be

generated by the 5% Capital Farebox Financing Program, will enable Metra to finance $47.8 million of Capital projects. The use of these funds, as well as estimated federal, state and local capital assistance, is discussed in more detail in the 2002-2006 Capital Program section of this document.

Services, Activities and Functions

Metra provides commuter rail service on eleven lines to residents of northeastern Illinois and southeastern Wisconsin. Legislation creating the Regional Transportation Authority gave Metra responsibility for coordinating and operating all commuter rail operations in the six-county area. Metra directly operates commuter rail service on seven lines and controls all operating support functions necessary to maintain the passenger lines, equipment and facilities. Metra is also responsible for the administration of commuter rail services provided under contract by private freight carriers such as the Union Pacific and Burlington Northern Santa Fe.

Direct operation of commuter rail services requires various activities necessary to meet published train schedules and abide by federal and state transportation regulations. Metra classifies these activities under the headings used in railroad regulatory reporting: Transportation, Maintenance of Way, Maintenance of Equipment, and Administration. The following is a brief description of the underlying functions included in the major operating categories:

Transportation includes the functions and activities directly responsible for the operation of the commuter trains. The major functions include Train and Engine Crews, Dispatching, Tower Operations, Ticket Sales, Police Services, Safety, and Supervisory Support functions. The main objective of this area is to run the service consistent with the published train schedules in a safe and efficient manner, and in accordance with federal and state regulations.

Maintenance of Way activities include the maintenance of track, structures, communications, and facilities to maintain operational safety, reduce travel time and service interruptions, and increase passenger comfort. Maintenance work is concentrated on safety inspections and short term projects to maintain overall track and structure condition until renewals or replacements can be completed through the Metra Capital Program. Major functions in this category include track, rail, crossing, signal, bridge, communication, facilities maintenance, supervisory support areas, and materials management.

Maintenance of Equipment activities include regular repairs, inspections and preventive maintenance on passenger train equipment to ensure that equipment is safe and in good working order to support the train schedules and passenger demand for seating. Maintenance work is concentrated on performing regular safety inspections as mandated by federal regulations, maintaining cleanliness and proper heat or air conditioning in the equipment, and preventive maintenance to keep the equipment operational between major rehabilitations. Major equipment rehabilitations are completed through the Metra Capital Program. Major functions in this category include the operation of the passenger maintenance shops and yards, supervisory support areas, and materials management.

Administration activities include general support functions for the organization to ensure that the overall corporate goals and regulations are met. Examples of Administration activities

2002 Commuter Rail Operating Budget by Carrier and Type of Expense

Table 3

	NIRCRC	Burlington Northern Santa Fe	Union Pacific	NICTD/* So.Shore	Total Metra
REVENUES:					
Passenger Revenue	$91,885,493	$36,555,573	$61,067,382	$3,124,105	$192,632,553
Other Revenue	49,389,704	5,700	468,000	331,260	50,194,664
Reduced Fare Subsidy	1,292,739	476,934	1,133,831	16,496	2,920,000
TOTAL REVENUE	$142,567,936	$37,038,207	$62,669,213	$3,471,861	$245,747,217
OPERATING EXPENSES:					
CARRIER LEVEL EXPENSES:					
Maintenance of Way	$57,006,294	4,761,360	$24,134,769	$1,267,801	$87,170,224
Maintenance of Equipment	53,168,908	14,359,474	31,910,824	1,242,713	100,681,919
Transportation	86,635,643	18,655,553	43,179,646	2,222,394	150,693,236
Administration	23,873,676	1,469,006	9,476,189	1,270,190	36,089,061
TOTAL CARRIER EXPENSE	$220,684,521	$39,245,393	$108,701,428	$6,003,098	$374,634,440
CENTRALIZED EXPENSES:					
Diesel Fuel	$8,649,131	$3,963,457	$8,927,567	$0	$21,540,155
Motive Electricity	6,844,863	0	0	302,578	7,147,441
Claims, Insur. & Risk Management	9,668,934	2,106,608	5,817,682	607,189	18,200,413
Regional Services	9,184,989	1,940,832	4,973,226	377,671	16,476,718
Downtown Stations	5,973,507	4,448,627	1,200,000	0	11,622,134
TOTAL CENTRALIZED EXP.	$40,321,424	$12,459,524	$20,918,475	$1,287,438	$74,986,861
TOTAL OPERATING EXPENSE	$261,005,945	$51,704,917	$129,619,903	$7,290,536	$449,621,301
FUNDING REQUIREMENT	$118,438,009	$14,666,710	$66,950,690	$3,818,675	$203,874,084
RECOVERY RATIO					55.30%

*South Shore Line service to South Bend, Ind., is operated by the Northern Indiana Commuter Transportation District, using Metra Electric District tracks from downtown to 115th Street in Chicago. Metra contributes 21% of South Shore Line operating costs, based on the number of Illinois residents who use this service.

Table 4

2002 Budget Summary and 2003-2004 Financial Plan

($ in 000's)	2002 Budget	2003 Plan	2004 Plan
OPERATING REVENUES (Note 1)			
Passenger Revenue (Note 2)	$192,633	$201,668	$205,701
Reduced Fare Subsidy	2,920	2,920	2,920
Other Revenue	50,194	50,747	56,641
TOTAL OPERATING REVENUE	$245,747	$255,335	$265,262
OPERATING EXPENSES:			
Maintenance of Way	$87,170	$90,647	$94,325
Maintenance of Equipment	100,682	105,577	109,521
Transportation	150,693	157,484	164,740
Administration	36,089	37,603	39,194
Fuel & Power	28,688	29,469	30,272
Claims, Insurance & Risk Management	18,200	18,765	19,346
Regional Services	16,477	17,192	17,944
Downtown Stations	11,622	11,964	12,318
TOTAL OPERATING EXPENSES	$449,621	$468,701	$487,660
TOTAL FUNDING REQUIREMENTS	$203,874	$213,366	$222,398
RECOVERY RATIO (Note 3)	55.30%	55.10%	55.00%

Note 1. System Generated Revenues and Revenue Recovery Ratio calculations do not include proceeds from Metra's 5% Capital Farebox Program.

Note 2. 2002 Budget includes a mid-year, 5% Fare Increase.

Note 3. For Calculation of Revenue Recovery Ratios, see Table 2.

Page Intentionally Blank

2002-2006 Capital Program: Creating Capacity

For thirty years, Metra and its predecessor organizations have used public funds for capital improvements that focused on preservation of the existing commuter rail system. This emphasis replaced aged rolling stock, deteriorated track and structure, and antiquated signal systems, while rehabilitating newer rolling stock, maintenance facilities, and passenger stations that experienced much wear and tear. The benefits have been enormous in terms of greatly improved service reliability, greater customer comfort and convenience, and reduced operating and maintenance costs, to name just a few.

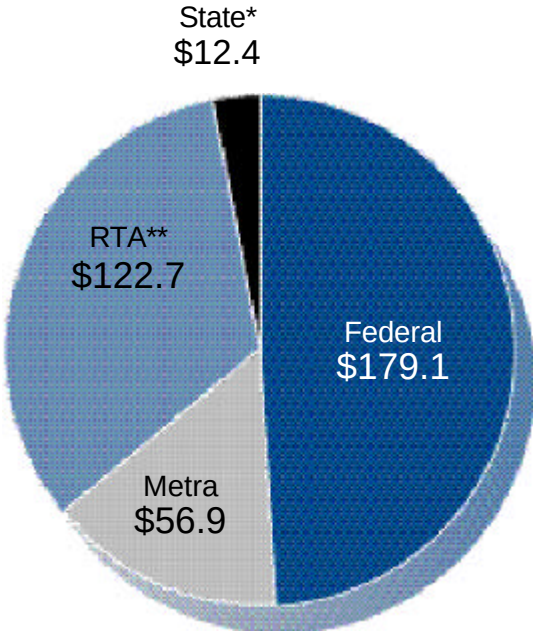
Given the size of the infrastructure for which Metra is responsible, system preservation will continue to be important to our capital programming process. For FY 2002, some of the major system preservation projects include rolling stock rehabilitation, track work, bridge renewals, signal and interlocker upgrades, and station rehabilitation.

Nevertheless, because of long-term regional growth as well as changing demographic and employment patterns, various facilities and equipment on our system need to be expanded, either in physical size or in capability of handling more trains or more passengers. Some examples in Metra's recent history include the purchase of rolling stock for additional train sets; track and signal improvements on the SouthWest Service to permit more trains; the initiation of the North Central Service; enlargements of maintenance yards to accommodate the servicing of more trains; and new stations in locations not previously served.

For FY 2002, capacity expansion continues to be important. Some examples include:

- A portion of the new locomotives and bi-level cars currently on order will provide for additional trains on the Metra system.
- The Lake Street Interlocker project at Chicago Union Station will provide additional capacity to handle more trains on the north side of the station.
- The fiber optic cable project on Burlington Northern Santa Fe will increase the line's capacity for communications & signals. New crossovers will provide the track and signal capacity that would be needed for any additional rush-hour trains.
- The modernization of the switches at Crystal Lake Junction will improve operations on McHenry Branch and the main line of the Union Pacific Northwest Line.
- The Passenger Information Display System (PIDS) and Train Information Management System (TIMS) projects will greatly increase Metra's ability to collect and disseminate various timely travel information (especially arrival and departure times) to our customers.

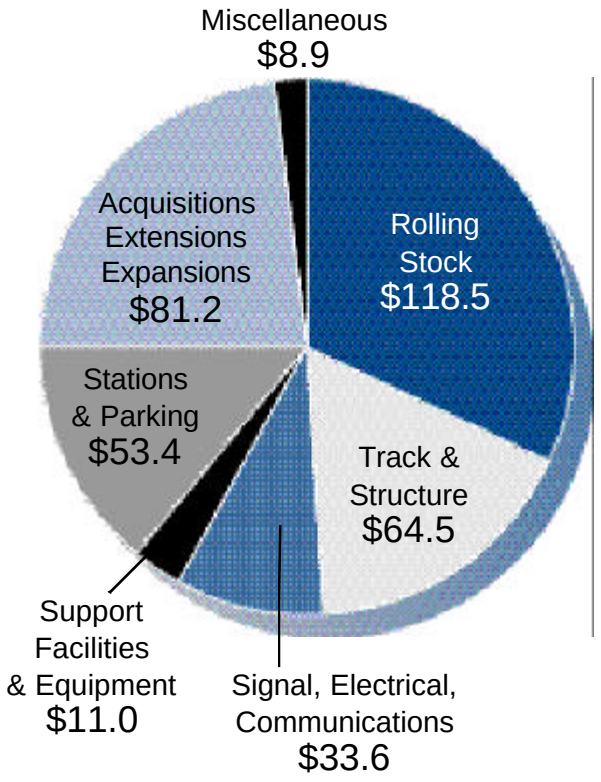
2002 Capital Program Sources
($ In Millions)



* Much of this, in addition to funds from the RTA, comes from the Illinois FIRST program.
** RTA amount includes $117 million Illinois FIRST SCIP Bonds administrated through the

Total Sources of Funds: $371.1 million

2002 Capital Program Uses
($ In Millions)



Total Uses of Funds: $371.1 million

- The CUS Platforms and Pedestrian Exits project will allow Chicago Union Station to move more customers through the station in a shorter time.
- Existing stations, such as Tinley Park and Gresham on the Rock Island, Schaumburg on the Milwaukee West, Crystal Lake on the Union Pacific Northwest, and Northbrook on the Milwaukee North, will receive new, larger facilities (depots, platforms, and shelters) to accommodate growing ridership.
- Stations at College Avenue and Dee Road on the Union Pacific West and Northwest, respectively, will be relocated to locations that permit larger facilities to handle growing ridership.
- The Glen of North Glenview on the Milwaukee North, will receive funding for a new depot and additional commuter parking.
- Funding for the rebuilding of station facilities at Randolph Street, on the Electric District, will increase the ability of this downtown terminal to handle 28,000 daily customers with an increased level of customer comfort and convenience.
- The largest capacity expansion projects are Metra's three current New Start projects, on the North Central, SouthWest, and Union Pacific West lines. Continued funding in FY 2002 will help to make it possible to operate additional trains and extend service to new boarding locations in 2005.

In the years following 2002 additional capacity increases will be provided. Some of the expansion projects under way in 2002 will require additional funding in those subsequent years. However, additional system expansion projects will be initiated in 2003 through 2006. Examples include:

- Signal system upgrades (with capacity increases) on the Electric, Milwaukee, and Rock Island districts, as well as on the Union Pacific lines.
- A major upgrade of yards and shops, which will allow them to handle the daily maintenance and periodic rehabilitation of additional trains.
- Major expansion of station and parking facilities at Bartlett and National Street-Elgin (Milwaukee District West Line) and at Orland Park-143rd Street (SouthWest Service).
- Additional commuter parking lots across the various lines of the Metra system.

Over a longer time frame, Metra's capacity can be greatly increased by new lines and line extensions that directly serve rapidly growing areas of the metropolitan region. In conjunction with local area planners, Metra is currently studying a possible Southeast Cook County line to Crete, a Milwaukee District North extension to Wadsworth, an Inner Circumferential line between O'Hare and Midway Airports, and an Outer Circumferential line on the Elgin, Joliet, & Eastern Railway.

While studies on these possible lines advance, Metra continues to look at the existing system to find ways to accommodate more trains and more customers. Some measures increase capacity in a physical way. Longer platforms, more tracks at downtown stations, and more commuter parking

2002-2006 Capital Program October 2001

Table 5

($ in 000's)

CAPITAL ASSET & PROJECT	RR	2002	2003-2006	TOTAL
Rolling Stock				
Purchase of New Locomotives	MET	17,660	37,512	55,172
Mid Life Rehabilitation of 130 Locomotives	MET	6,368	30,545	36,913
New Bi-Level Commuter Cars	MET	68,828	161,317	230,144
Life Extending Rehabilitation of Commuter Cars	BNS	0	15,139	15,139
LIfe Extending Rehabilitation of Commuter Cars	MET	0	41,540	41,540
Mid Life Rehabilitation of Commuter Cars	MET	0	8,000	8,000
FRA Required Window Glazing	MET	0	500	500
Rolling Stock Replacement	MED	11,605	110,000	121,605
Maintenance Tracking System	MET	0	3,000	3,000
Fleet Component Overhaul or Replacement	MET	6,250	28,300	34,550
Rolling Stock Subtotal		110,711	435,853	546,563
Track & Structure				
Track Work	BNS	3,340	10,190	13,530
Track Work	UPR	3,730	19,100	22,830
Track Work	MET	11,600	46,820	58,420
Track Improvements From Rondout to Fox Lake	MWD	0	7,000	7,000
Extend Sidings and Other Improvements	NCS	4,000	5,000	9,000
Renew Bridges	BNS	150	0	150
Rehabilitate Bridges	MED	2,000	5,125	7,125
Bridges For Illinois FIRST	MET	20,142	199,693	219,835
Rehabilitate Bridges	MWD	200	20,400	20,600
Rehabilitate Bridges	RID	4,500	16,400	20,900
Rehabilitate Bridges	SWS	0	1,000	1,000
Rehabilitate Bridges	UPR	0	3,200	3,200
Rehabilitate Bridges on NW Line	UPR	12,000	4,000	16,000
Rehabilitate Retaining Walls	BNS	200	1,000	1,200
Bridge Fills and Closures	MET	500	500	1,000
Rehabilitate Retaining Walls	MET	500	2,000	2,500
Rehabilitate Retaining Walls	UPR	500	3,000	3,500
Miscellaneous Structural Improvements	MET	1,550	2,700	4,250
Belmont Road Grade Separation	BNS	0	4,000	4,000
Rehabilitate Catenary Structures	MED	800	4,000	4,800
Track & Structure Subtotal		65,712	355,128	420,840
Signal, Electrical & Communications				
Coded Track Circuits and Underground Cable	BNS	3,600	15,900	19,500
Upgrade Signal Systems	MED	900	6,000	6,900
Upgrade Signal Circuits	MWD	0	3,800	3,800
Upgrade Signal Circuits	RID	0	500	500
Upgrade Signal Circuits	UPR	0	500	500
Signal & Crossing Improvements	BNS	150	800	950
Crossing Improvements and Upgrades	MET	600	1,600	2,200
Consolidate Crossovers	BNS	3,100	5,600	8,700
Lake Street Interlocker Improvements	CUS	9,000	29,700	38,700
Upgrade Interlockers	MWD	0	6,000	6,000
Upgrade Interlockers	RID	0	7,300	7,300

2002-2006 Capital Program October 2001 (continued)

($ in 000's)

CAPITAL ASSET & PROJECT	RR	2002	2003-2006	TOTAL
Upgrade Interlockers	UPR	1,000	16,100	17,100
Crystal Lake Junction	UPR	2,000	0	2,000
Upgrade Electrical Systems at Substations	MED	500	800	1,300
Replace Catenary Wire & Transmission Lines	MED	0	3,500	3,500
Standby Power and Backup Systems	MET	1,000	2,000	3,000
Electrical Power Efficiency Improvements	MET	0	600	600
Train Information Management System	MET	3,000	3,000	6,000
Misc. Communications System Improvements	MET	600	3,660	4,260
Upgrade Passenger Information Displays	MET	5,500	4,500	10,000
Snow Switch Heaters	MET	1,500	1,000	2,500
Cable and Battery Replacements	UPR	300	900	1,200
Signal, Electrical & Communications Subtotal		32,750	113,760	146,510
Facilities & Equipment				
Upgrade Substation Buildings	MED	500	2,000	2,500
547 W. Jackson Blvd.	MET	2,400	7,600	10,000
Facility Improvements	UPR	1,100	7,850	8,950
Fueling Facility Improvements	MET	1,700	1,000	2,700
Equipment and Vehicles	MET	2,090	20,160	22,250
Enterprise Resource Planning System	MET	7,650	15,850	23,500
Renew Yards, Shops, and Other Facilities	MET	2,500	56,500	59,000
Facilities & Equipment Subtotal		17,940	110,960	128,900
Stations & Parking				
Halsted Street Station	BNS	0	800	800
West Hinsdale Shelters	BNS	0	750	750
Downers Grove Station and Parking	BNS	0	875	875
CUS Platforms and Pedestrian Exits	CUS	250	3,000	3,250
Randolph Street Station	MED	9,000	2,500	11,500
South Chicago Branch Stations and Parking	MED	6,000	10,500	16,500
93rd Street Commuter Station Relocation & Parking	MED	428	428	855
Station and Parking Engineering	MET	6,300	22,000	28,300
ADA Related Improvements	MET	750	3,250	4,000
Station Upgrades	MET	400	3,400	3,800
Willow Springs Station	MHC	0	700	700
Bartlett Station and Parking	MWD	0	3,300	3,300
North Glenview Station	MWD	1,450	0	1,450
National Street Station, Parking, and Access	MWD	0	1,500	1,500
Schaumburg Station	MWD	3,250	0	3,250
Ingleside Station	MWD	525	0	525
Northbrook Station	MWD	2,600	0	2,600
Libertyville Station Platform	MWD	0	175	175
Gresham Station	RID	750	0	750
Tinley Park Station	RID	2,000	0	2,000
Ogilvie Transportation Center Concourse Improvements	UPR	4,800	1,200	6,000
Crystal Lake Station	UPR	900	0	900
College Avenue Station and Parking	UPR	3,750	3,500	7,250

2002-2006 Capital Program October 2001 (continued)

($ in 000's)

CAPITAL ASSET & PROJECT	RR	2002	2003-2006	TOTAL
Dee Road Station and Parking	UPR	2,400	0	2,400
Edison Park Station	UPR	1,700	0	1,700
Oak Park Transportation Center	UPR	285	285	570
Winnetka Station	UPR	0	2,500	2,500
Olympia Fields Station Parking	MED	2,750	0	2,750
Hazel Crest Station Parking	MED	303	0	303
Parking Lot Construction	MET	200	800	1,000
Site Acquisition for Parking and Stations	MET	250	13,000	13,250
Robbins Station Parking	RID	0	600	600
Mokena Station Parking	RID	425	0	425
Mont Clare Station Parking	MWD	325	0	325
Orland Park – 143rd Street Parking	SWS	750	1,750	2,500
Romeoville – New Station	MHC	0	1,000	1,000
BN Tollway New Station	BNS	0	6,500	6,500
Pingree Road New Station	UPR	0	1,400	1,400
Miscellaneous Station and Parking Improvements	MET	800	39,350	40,150
Stations & Parking Subtotal		53,340	125,063	178,403
Acquisitions-Extensions-Expansions				
NCS Expansion	NCS	29,416	112,807	142,223
SWS Improvements and Extension	SWS	31,111	105,336	136,447
UPR West Line Extension	UPR	20,667	53,990	74,657
Acquisitions-Extensions-Expansions Subtotal		81,194	272,134	353,328
Miscellaneous				
Unanticipated Capital	MET	1,850	6,250	8,100
Material Handling Additives	MET	2,000	6,000	8,000
Miscellaneous Engineering	MET	2,634	7,500	10,134
Project Administration and Contingencies	MET	3,518	10,363	13,881
Miscellaneous Subtotal		10,003	30,113	40,115
TOTAL PROGRAM		371,649	1,443,010	1,814,659

Note: Subtotals and Grand Total may not sum precisely due to rounding to nearest thousand within individual figures.

Key to Abbreviations

BNS = Burlington Northern Santa Fe		CTC = Centralized Traffic Control	
CUS = Chicago Union Station		CWTD = Constant Warning Time Device	
MED = Metra Electric District		FRA = Federal Railroad Administration	
MET = Metra, System Wide		HVAC = Heating Ventilation and Air Conditioning	
MWD = Milwaukee District		ICC = Illinois Commerce Commission	
RID = Rock Island District		KV = Kilo-volt i.e. 1,000 volts	
NCS = North Central Service		MIS = Management Information System	
SWS = SouthWest Service		MOW = Maintenance of Way	
UPR = Union Pacific Railroad		NW = Northwest	
AC = Alternating Current		ROW = Right of Way	
ADA = Americans With Disabilities Act (1990)		SCADA = Supervisory Control and Data Acquisition	
CCF = Consolidated Control Facility			

Page Intentionally Blank

Appendix

Physical Description

Carrier/Line	Location of Outlying Terminal	Downtown Chicago Terminal	Number of Stations in Illinois	Number of Stations Out of State	Total Stations	Accessible Stations Partial	Accessible Stations Full	Locomotives	Trailer Cars	Cab Cars	Electric Self-Propelled Cars	Track Miles	Route Miles
Burlington Northern Santa Fe	Aurora, IL (Kane Co.)	CUS*	27	0	27	7	12	23	131	28	0	144.0	37.5
Union Pacific													
North	Kenosha, WI (Kenosha Co.)	OTC#	25	1	26	0	18					107.5	51.6
Northwest	Harvard, IL (McHenry Co.)	OTC	21	0	21	6	9					161.1	63.1
West	Geneva, IL (Kane Co.)	OTC	17	0	17	3	11					128.0	35.5
McHenry Branch	McHenry, IL (McHenry Co.)	OTC	1	0	1	1	0					8.0	7.4
Total***			61	1	62	10	36	54	252	63	0	402.0	154.7
South Shore Line (NICTD)**	South Bend, IN (St Joseph Co.)	Randolph	8	12	20	0	4	0	10	0	58	148.9	90.1
Electric District													
Main Line	University Pk, IL (Will Co.)	Randolph	34	0	34	0	12					86.0	31.5
Blue Island Branch	Blue Island, IL (Cook Co.)	Randolph	7	0	7	0	0					5.0	4.4
So Chicago Branch	Chicago, IL (Cook Co.)	Randolph	8	0	8	0	2					11.3	4.7
Total***			49	0	49	0	14	0	0	0	165	102.3	40.6
Heritage Corridor	Joliet, IL (Will Co.)	CUS	6	0	6	0	6	3	10	3	0	78.0	37.2
Milwaukee District													
North	Fox Lake, IL (Lake Co.)	CUS	21	0	21	4	14					97.0	49.5
West	Elgin, IL (Kane Co.)	CUS	23	0	23	5	13					96.0	39.8
Total**			42	0	42	9	25	26	99	48	0	179.6	83.9
North Central Service	Antioch (Lake Co.)	CUS	14	0	14	0	14	4	21	4	0	60.7	52.8
SouthWest Service	Orland Park, IL (Cook Co.)	CUS	10	0	10	0	9	4	18	4	0	44.5	28.9
Rock Island													
Main Line	Joliet, IL (Will Co.)	LaSalle St.	14	0	14	3	9					84.0	40.2
Beverly Branch	Blue Island, IL (Cook Co.)	LaSalle St.	12	0	12	6	2					13.3	6.6
Total***			25	0	25	9	11	16	72	28	0	97.1	46.8
System Totals***			228	13	241	35	120	130	613	178	223	1,189.4	545.8

*CUS=Chicago Union Station
#OTC=Ogilvie Transportation Center
**South Shore Line service to South Bend, Ind., is operated by the Northern Indiana Commuter Transportation District, using Metra Electric District tracks from downtown to 115th Street in Chicago. Metra contributes 21% of South Shore Line operating costs, based on the number of Illinois residents who use this service.
***Totals adjusted to avoid double-counting.

Operating & Service Characteristics

Carrier/Line	Revenue Trains Weekday	Sat	Sun/Hol	Train Miles Jul 00-Jun 01	Car Miles Jul 00-Jun 01	Scheduled Speeds Weekday Peak	Weekday Off-Peak	Weekend/ Holiday	On-Time Performance 2000 Average	Jan-Jun 01 Average
Burlington Northern Santa Fe	94	28	18	939,000	6,569,300	36.0	28.6	29.7	96.5%	97.0%
Union Pacific										
North	62	22	16	677,000	3,583,600	31.0	27.5	27.6	96.6%	98.0%
Northwest	63	27	15	912,943	5,913,000	34.3	30.4	31.8	96.1%	97.7%
West	59	20	14	536,700	3,270,200	31.8	31.1	31.2	94.4%	94.7%
Total	184	69	45	2,126,600	12,766,800				95.7%	96.9%
South Shore Line (100%)	41	21	21	746,100	3,271,900	35.6	35.1	38.1	—	—
Electric District										
Main Line	79	46	20	725,000	3,301,300	32.2	27.8	28.3	98.2%	98.3%
Blue Island	37	30	0	149,700	323,200	24.1	21.0	21.4	98.9%	98.8%
So. Chicago	54	48	20	224,300	644,900	19.7	15.1	17.1	99.0%	99.2%
Total	170	124	40	1,099,000	4,269,400				98.6%	98.7%
Heritage Corridor	6	0	0	56,400	242,500	35.0	—	—	91.8%	94.0%
Milwaukee District										
North	58	20	18	731,900	3,942,500	31.1	29.7	29.6	93.2%	93.7%
West	58	26	18	658,200	4,531,400	30.8	26.4	27.5	92.8%	95.9%
Total	116	46	36	1,390,100	8,473,900				93.0%	94.8%
North Central Service	10	0	0	133,900	692,800	36.9	36.8	—	87.8%	90.2%
SouthWest Service	16	0	0	128,300	979,700	27.0	25.9	—	92.3%	96.4%
Rock Island District	68	20	16	698,700	4,293,900	29.2	25.3	27.4	96.7%	97.5%
System Totals	705	308	176	7,318,100	41,560,100	31.9	27.2	27.5	95.3%	96.3%

Commuter Rail Stations by Fare Zone

Zone	Burlinton Northern Santa Fe	Electric Main Line	Electric Blue Island	Electric South Chicago	Heritage Corridor	Milwaukee North	Milwaukee West	North Central Service	Rock Island Main Line	Rock Island Branch Line	SouthWest Service	Union Pacific North	Union Pacific Northwest	Union Pacific West
A	CUS 0.0 Halsted 1.8 Western 3.8	Randolph 0.0 Van Buren 0.8 Roosevelt 1.4 18th 2.2 23rd 2.7 27th 3.2			CUS 0.0	CUS 0.0 Western 2.9	CUS 0.0 Western 2.9	CUS 0.0 Western 2.9	La Salle 0.0		CUS 0.0	CPT 0.0 Clybourn 2.9	CPT 0.0 Clybourn 2.9	CPT 0.0 Kedzie 3.6
B	Cicero 7.0 Clyde 8.5 LaVergne 9.1 Berwyn 9.6 Harlem 10.1	47th 5.9 53rd 6.5 56th 7.0 59th 7.4 63rd 7.9 75th 9.3 79th 10.0		StoneyIsInd 9.1 Bryn Mawr 9.7 South Shore 10.3 WindsorPark 10.9 79th 11.5 83rd 12.0 87th 12.5 93rd 13.2		Healy 6.4 Grayland 8.2 Mayfair 9.0	Hermosa 5.9 Cragin 7.0 Hanson Park 7.7 Galewood 8.6 Mars 9.1 Mont Clare 9.5		Gresham 9.8			Ravenswood 6.5 Rogers Park 9.4	Irving Park 7.0 JeffersonPark 9.1 GladstnePark 10.1	Oak Park 8.5 River Forest 9.7
C	Riverside 11.1 Hollywood 11.8 Brookfield 12.3 CongPark 13.1 La Grange 13.8 Stone Ave 14.2	83rd 10.4 87th 10.9 91st 11.4 95th 12.0 103rd 13.0 107th 13.5 111th 14.0 115th 14.5			Summit 11.9	Forest Glen 10.2 Edgebrook 11.6 MortonGrove 14.3	ElmwoodPark 10.2 River Grove 11.4 Franklin Park 13.2 Mannheim 14.0	River Grove 11.4	95th St 10.9 WashHts 12.0	Brainerd 10.6 91st 11.3 95th 11.7 99th 12.3 103rd 12.8 107th 13.3 111th 13.8 115th 14.3 119th 14.8	Wrightwood 11.2 Ashburn 12.6	Main St 11.0 Davis 12.0 Central 13.3 Wilmette 14.4	NorwoodPark 11.4 Edison Park 12.6 Park Ridge 13.5 Dee Road 15.0	Maywood 10.5 Melrose Park 11.3 Bellwood 12.6 Berkeley 14.3
D	WstrnSprings 15.5 Highlands 16.4 Hinsdale 16.9 W. Hinsdale 17.8 ClarendnHills 18.3 Westmont 19.5	137th 17.3 Ivanhoe 18.2 147th 19.0 Harvey 20.0	State St 15.6 StewartRidge 16.0 W. Pullman 16.7 Racine 17.0 Ashland 17.9 Burr Oak 18.4 Blue Island 18.9		WillwSprings 17.5	Golf 16.2 Glenview 17.4 Glen/NGlnvw 18.8	Bensenville 17.2 Wood Dale 19.1	O'HareTrnsfr 17.1	Vermont 15.7 Robbins 17.2 Midlothian 18.4	123rd 15.2 Prairie 15.8 Vermont 16.4	Oak Lawn 15.2 Chicago Ridge 16.8 Worth 18.2	Kenilworth 15.2 Indian Hill 15.8 Winnetka 16.6 HubbardWds 17.7 Glencoe 19.2	Des Plaines 17.1 Cumberland 18.6 Mt Prospect 20.0	Elmhurst 15.7 Villa Park 17.8 Lombard 19.9
E	Fairview Ave 20.4 Main St 21.2 Belmont 22.6 Lisle 24.5	Hazel Crest 22.3 Calumet 22.8 Homewood 23.5 Flossmoor 24.9			Lemont 25.3	Northbrook 21.1 LakeCookRd 23.0 Deerfield 24.2	Itasca 21.1 Medinah 23.0 Roselle 23.9	ProspectHghts 24.0	Oak Forest 20.4 Tinley Park 23.5 80th Ave 25.1		Palos Park 20.3 143rd 23.6 153rd 25.2	Braeside 20.5 Ravinia 21.5 HighlandPark 23.0 Highwood 24.5	ArlingtonHts 22.8 ArlingtonPk 24.4	Glen Ellyn 22.4 College Ave 23.8 Wheaton 25.0
F	Naperville 28.5	OlympiaFields 26.6 211th 27.6 Matteson 28.2 RichtonPark 29.3				Lake Forest 28.4	Schaumburg 26.5 HanoverPark 28.4 Bartlett 30.1	Wheeling 27.2 BuffaloGrove 29.5	HickoryCreek 27.5 Mokena 29.6		179th 28.9	FortSheridan 25.7 Lake Forest 28.3	Palatine 26.8	Winfield 27.5 WestChicago 29.8
G	Route 59 31.6	UnivPark 31.5			Lockport 32.9			Prairie View 31.6 Vernon Hills 33.0	New Lenox 34.0			Lake Bluff 30.2 Great Lakes 32.2 N Chicago 33.7	Barrington 31.9	
H	Aurora 37.5				Joliet 37.2	Libertyville 35.5	National St 36.0 Elgin 36.6 Big Timber 39.8	Mundelein 36.9 PraCrossing 40.7	Joliet 40.2			Waukegan 35.9	FoxRivGrove 37.3 Cary 38.6	Geneva 35.5
I						Grayslake 41.0 Round Lake 44.0						Zion 42.1 WinthrpHar 44.5	Crystal Lake 43.2	
J						Long Lake 46.0 Ingleside 47.8 Fox Lake 49.5		RndLkBeach 45.9 Lake Villa 48.2						
K								Antioch 52.8				Kenosha 51.5	Mc Henry 50.6 Woodstock 51.6	
M													Harvard 63.1	

Forecasted Ridership and Vehicle Miles/2001-2004

	2000 Actual	2001 Six Month Actual	2001 Year-End Projected	2002 Forecast	2003 Forecast	2004 Forecast
Passenger Trips						
Burlington Northern Santa Fe	14,993,000	7,479,000	15,349,000	15,502,000	15,735,000	16,049,000
Union Pacific	24,976,000	12,456,000	25,200,000	25,452,000	25,834,000	26,351,000
South Shore	3,871,000	1,968,000	4,059,000	4,099,000	4,161,000	4,244,000
Electric District	12,138,000	6,232,000	12,689,000	12,816,000	13,008,000	13,268,000
Heritage Corridor	482,000	291,000	558,000	563,000	572,000	583,000
Milwaukee District	13,279,000	6,602,000	13,468,000	13,602,000	13,806,000	14,083,000
North Central Service	1,116,000	560,000	1,157,000	1,169,000	1,186,000	1,210,000
SouthWest Service	1,594,000	856,000	1,802,000	1,820,000	1,848,000	1,885,000
Rock Island	9,422,000	4,824,000	9,809,000	9,907,000	10,056,000	10,257,000
System Total*	81,870,000	41,268,000	84,090,000	84,931,000	86,205,000	87,929,000
Year-to-Year Change			2.7%	1.0%	1.5%	2.0%
Passenger Miles						
Burlington Northern Santa Fe	333,671,000	166,737,000	342,368,000	345,594,000	350,778,000	357,793,000
Union Pacific	567,566,000	277,678,000	563,439,000	570,718,000	579,279,000	590,864,000
South Shore	114,491,000	57,681,000	119,017,000	120,237,000	122,041,000	124,481,000
Electric District	226,878,000	116,458,000	237,516,000	240,269,000	243,874,000	248,751,000
Heritage Corridor	12,228,000	7,858,000	15,012,000	15,115,000	15,342,000	15,649,000
Milwaukee District	315,906,000	157,133,000	320,639,000	323,952,000	328,812,000	335,388,000
North Central Service	33,081,000	16,912,000	35,022,000	35,461,000	35,993,000	36,713,000
SouthWest Service	29,932,000	16,194,000	34,046,000	34,330,000	34,845,000	35,542,000
Rock Island	186,377,000	95,539,000	194,330,000	196,339,000	199,284,000	203,270,000
System Total*	1,820,129,000	912,189,000	1,861,386,000	1,882,016,000	1,910,246,000	1,948,451,000
Year-to-Year Change			2.3%	1.1%	1.5%	2.0%
Revenue Car Miles						
Burlington Northern Santa Fe	4,973,000	2,542,000	5,075,000	5,099,000	5,109,000	5,169,000
Union Pacific	9,918,000	4,746,000	9,548,000	9,665,000	9,683,000	9,797,000
South Shore	2,843,000	1,434,000	2,884,000	2,913,000	2,921,000	2,952,000
Electric District	3,838,000	1,981,000	3,949,000	3,964,000	3,972,000	4,018,000
Heritage Corridor	242,000	121,000	241,000	243,000	243,000	246,000
Milwaukee District	5,191,000	2,682,000	5,372,000	5,415,000	5,425,000	5,488,000
North Central Service	571,000	286,000	570,000	573,000	574,000	581,000
SouthWest Service	506,000	267,000	531,000	534,000	535,000	541,000
Rock Island	2,680,000	1,367,000	2,728,000	2,742,000	2,746,000	2,779,000
System Total*	30,762,000	15,426,000	30,900,000	31,147,000	31,207,000	31,572,000
Year-to-Year Change			0.4%	0.8%	0.2%	1.2%

*Totals may not add up because of rounding.

Ridership Related Statistics -- July 2000 - June 2001

Carrier/Line	Passenger Loads (conductor counts) Weekday Averages Peak	Reverse	Midday	Evening	Total	Avg Saturday	Avg Sunday	Avg Week	Annual Passenger Trips	Annual Passenger Miles	Annual Passenger Revenue*	Avg Rev Per Psngr Trip	Avg Trip Length (miles)
Burlington Northern Santa Fe	46,800	1,800	5,700	3,900	58,200	9,900	5,300	306,200	15,089,600	336,737,400	$36,891,100	$2.44	22.3
Union Pacific													
North	20,100	3,200	2,800	2,200	28,400	8,100	4,600	154,700	8,692,100	173,652,400	20,786,200	$2.39	20.0
Northwest	30,200	2,500	4,100	2,100	38,800	8,200	5,100	207,300	9,372,300	238,512,000	24,527,700	$2.62	25.4
West	23,500	1,000	2,400	1,900	28,800	5,600	3,900	153,500	7,036,000	154,842,200	16,777,100	$2.38	22.0
Total	73,800	6,700	9,300	6,200	96,000	21,900	13,600	515,500	25,100,400	567,006,600	62,091,000	$2.47	22.6
South Shore (NICTD)	10,500	200	1,700	800	13,300	3,900	2,500	72,900	3,952,300	117,279,800	14,140,600	$3.58	29.7
Electric District													
Main Line	27,500	500	3,400	1,900	33,400	5,600	2,400	175,000	10,657,700	209,520,200	24,403,700	$2.29	19.7
Blue Island	2,400	100	300	100	2,900	600		15,100	355,700	6,149,600	785,600	$2.21	17.3
So Chicago	6,100	300	1,100	500	8,000	2,300	800	43,100	1,354,600	15,017,900	1,963,300	$1.45	11.1
Total	36,000	900	4,800	2,500	44,300	8,500	3,200	233,200	12,368,000	230,687,700	27,152,600	$2.20	18.7
Heritage Corridor	2,200				2,200			11,000	530,600	14,194,600	1,395,800	$2.63	26.8
Milwaukee District													
North	16,800	1,800	2,300	1,500	22,400	4,000	2,300	118,300	6,889,200	166,990,000	18,016,200	$2.62	24.2
West	18,100	900	2,200	1,100	22,400	4,200	2,700	118,900	6,451,900	151,164,200	16,166,600	$2.51	23.4
Total	34,900	2,700	4,500	2,600	44,800	8,200	5,000	237,200	13,341,100	318,154,200	34,182,800	$2.56	23.8
North Central Service	4,300	0	100		4,500			22,500	1,129,200	34,020,300	3,336,600	$2.95	30.1
SouthWest Service	6,400	0	500	100	7,000			35,000	1,689,100	31,889,100	3,810,900	$2.26	18.9
Rock Island District	31,400	300	3,400	1,000	36,100	2,900	1,700	185,100	9,600,600	190,262,500	21,951,500	$2.29	19.8
System Totals**	246,200	12,700	30,100	17,200	306,200	55,300	31,200	1,618,600	82,800,800	1,840,232,200	$204,952,800	$2.48	22.2

*Includes proceeds from 5% Capital Farebox Financing Program.
**Totals may not add up because of rounding.

Ticket Sales by Ticket Type — July 2000 - June 2001

Carrier/Line	Monthly	25-Ride	Regular Ten-Ride	Station One-Way	Conductor One-Way	Weekend	Link-Up	PlusBus
Burlington Northern Santa Fe	222,200	N/A	365,100	863,400	574,200	193,500	12,500	6,300
Union Pacific								
North	101,100	N/A	273,100	569,200	636,300	167,300		
Northwest	121,600	N/A	229,200	735,700	687,900	173,700		
West	96,900	N/A	170,100	478,400	395,500	118,200		
Total	319,600	N/A	672,400	1,783,300	1,719,700	459,200	12,100	3,300
South Shore (100%)	53,800	13,900	24,700	574,400	473,800	N/A	N/A	N/A
Electric District								
Main Line	149,700	N/A	218,600	1,126,900	641,100	87,600		
Blue Island	5,400	N/A	6,100	35,000	21,400	2,400		
So Chicago	17,000	N/A	31,800	225,000	82,900	400		
Total	172,100	N/A	2569,500	1,386,900	745,400	90,400	10,200	1,000
Heritage Corridor	9,600	N/A	9,700	18,800	14,700	N/A	**	**
Milwaukee District								
North	88,300	N/A	187,800	437,800	476,000	119,100		
West	90,800	N/A	138,100	424,500	427,800	125,400		
Total	179,100	N/A	325,900	862,300	903,800	244,500	8,800	1,600
North Central Service	17,300	N/A	24,500	41,200	97,900	1,300	200	100
SouthWest Service	29,200	N/A	30,500	55,800	71,100	600	**	**
Rock Island District	149,800	N/A	213,300	545,000	317,400	67,400	7,500	300
System Totals	1,152,700	13,900	1,922,600	6,131,100	4,918,000	1,056,900	51,300	12,600

**Included with Milwaukee District sales

N/A: Not Available

Page Intentionally Blank

Fare Structure

Commuter rail fares are set according to travel between designated fare zones, which are set at five-mile intervals beginning at each rail line's downtown Chicago terminal. The zone system does not apply to the South Shore fares, which are set by the Northern Indiana Commuter Transportation District (NICTD).

A uniform base fare is charged for travel within a zone and increments are added to the base fare as additional fare zone boundaries are crossed. The present base fare from downtown Chicago is $1.75 for a one-way trip (Zone A to A) and the incremental charge is $.20 for the first zone (Zone A to B) and $.35 or $.40 for each zone thereafter.

Within the general structure of zones and one-way fares, an assortment of ticket forms and purchase methods is designed to allow maximum flexibility in the use of Metra services. Most customers pay their fares prior to boarding, using either a time-limited ticket (i.e., monthly) or a trip-limited ticket (i.e., one-way or ten-ride). Riders can also purchase their transportation while on board a train, although a $1 service charge is assessed if a ticket agent was on duty at the time and place of boarding. Tickets can be bought over the counter at stations staffed by agents, by mail (monthly and ten-ride tickets only), from vending machines on the Metra Electric District lines, or by the internet (monthly and ten-ride). The table below is a presentation of the pricing formula associated with each ticket form and other features of rail tickets.

Fares are also classified as full-fare or reduced. Riders eligible for reduced fares include elderly and mobility limited persons who are in possession of an RTA Special User Card, children aged 7-11, students (high school age and below, traveling to and from school) and military personnel traveling in uniform. Children under the age of 7 travel free if accompanied by a fare-paying adult passenger.

With their substantial price incentive, and the convenience of an unlimited ride "flash" ticket, monthly tickets account for about 61% of all passenger trips. The full-fare ten-ride ticket is priced at a 15% discount relative to an equivalent one-way rate and accounts for nearly 24% of all passenger trips.

Following are other features of Metra's pricing structure: The Regional Rail Ticket Program allows holders of monthly or ten-ride tickets to travel on any other Metra line (except the South Shore). Travel beyond the fare zone limits of the ticket involves a surcharge of $1 for the first zone and $.50 for each additional zone line crossed.

Several fare programs are available to riders transferring between Metra and services provided by CTA and Pace. The $36 LINK-UP STICKER affixes to Metra monthly tickets and is accepted on peak-period CTA service and most Pace routes. A $1 shuttle fare for selected

Metra Ticket Pricing Formula

Ticket Type	Period of Validity	Number of Rides	Pricing Basis
Monthly*	Calendar Month	Unlimited	27.0 times one-way fare
Ten-Ride*	One Year	Ten	8.5 times one-way fare
One-Way*	One Year	One	Base fare plus increments
Weekend	Saturday/Sunday	Unlimited	Flat rate — $5

* These ticket types are offered at a reduced rate to senior citizens, persons with disabilities, children and students through high school traveling to and from school. Military personnel in uniform are entitled to reduced one-way ticket rates.

Adult Fare Schedule

(Effective February 1996)

ZONE MILES	TICKET	A	B	C	D	E	F	G	H	I	J	K	L	M
	1-WAY	1.75												
A	10-RIDE	14.90												
0-5	MONTHLY	47.25												
	1-WAY	1.95	1.75											
B	10-RIDE	16.60	14.90											
5-10	MONTHLY	52.65	47.25											
	1-WAY	2.75	1.95	1.75										
C	10-RIDE	23.40	16.60	14.90										
10-15	MONTHLY	74.25	52.65	47.25										
	1-WAY	3.15	2.75	1.95	1.75									
D	10-RIDE	26.80	23.40	16.60	14.90									
15-20	MONTHLY	85.05	74.25	52.65	47.25									
	1-WAY	3.50	3.15	2.75	1.95	1.75								
E	10-RIDE	29.75	26.80	23.40	16.60	14.90								
20-25	MONTHLY	94.50	85.05	74.25	52.65	47.25								
	1-WAY	3.90	3.50	3.15	2.75	1.95	1.75							
F	10-RIDE	33.15	29.75	26.80	23.40	16.60	14.90							
25-30	MONTHLY	105.30	94.50	85.05	74.25	52.65	47.25							
	1-WAY	4.30	3.90	3.50	3.15	2.75	1.95	1.75						
G	10-RIDE	36.55	33.15	29.75	26.80	23.40	16.60	14.90						
30-35	MONTHLY	116.10	105.30	94.50	85.05	74.25	52.65	47.25						
	1-WAY	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75					
H	10-RIDE	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90					
35-40	MONTHLY	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25					
	1-WAY	5.05	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75				
I	10-RIDE	42.95	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90				
40-45	MONTHLY	136.35	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25				
	1-WAY	5.45	5.05	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75			
J	10-RIDE	46.35	42.95	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90			
45-50	MONTHLY	147.15	136.35	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25			
	1-WAY	5.80	5.45	5.05	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75		
K	10-RIDE	49.30	46.35	42.95	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90		
50-55	MONTHLY	156.60	147.15	136.35	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25		
	1-WAY	6.20	5.80	5.45	5.05	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75	
L	10-RIDE	52.70	49.30	46.35	42.95	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90	
55-60	MONTHLY	167.40	156.60	147.15	136.35	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25	
	1-WAY	6.60	6.20	5.80	5.45	5.05	4.65	4.30	3.90	3.50	3.15	2.75	1.95	1.75
M	10-RIDE	56.10	52.70	49.30	46.35	42.95	39.55	36.55	33.15	29.75	26.80	23.40	16.60	14.90
60-65	MONTHLY	178.20	167.40	156.60	147.15	136.35	125.55	116.10	105.30	94.50	85.05	74.25	52.65	47.25

Special-User Fare Schedule

(Effective February 1996)

ZONE MILES	TICKET	A	B	C	D	E	F	G	H	I	J	K	L	M
	1-WAY	0.85												
A	10-RIDE	8.50												
0-5	MONTHLY	31.90												
	1-WAY	0.95	0.85											
B	10-RIDE	9.50	8.50											
5-10	MONTHLY	35.65	31.90											
	1-WAY	1.35	0.95	0.85										
C	10-RIDE	13.50	9.50	8.50										
10-15	MONTHLY	50.65	35.65	31.90										
	1-WAY	1.55	1.35	0.95	0.85									
D	10-RIDE	15.50	13.50	9.50	8.50									
15-20	MONTHLY	58.15	50.65	35.65	31.90									
	1-WAY	1.75	1.55	1.35	0.95	0.85								
E	10-RIDE	17.50	15.50	13.50	9.50	8.50								
20-25	MONTHLY	65.65	58.15	50.65	35.65	31.90								
	1-WAY	1.95	1.75	1.55	1.35	0.95	0.85							
F	10-RIDE	19.50	17.50	15.50	13.50	9.50	8.50							
25-30	MONTHLY	73.15	65.65	58.15	50.65	35.65	31.90							
	1-WAY	2.15	1.95	1.75	1.55	1.35	0.95	0.85						
G	10-RIDE	21.50	19.50	17.50	15.50	13.50	9.50	8.50						
30-35	MONTHLY	80.65	73.15	65.65	58.15	50.65	35.65	31.90						
	1-WAY	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85					
H	10-RIDE	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50					
35-40	MONTHLY	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90					
	1-WAY	2.50	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85				
I	10-RIDE	25.00	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50				
40-45	MONTHLY	93.75	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90				
	1-WAY	2.70	2.50	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85			
J	10-RIDE	27.00	25.00	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50			
45-50	MONTHLY	101.25	93.75	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90			
	1-WAY	2.90	2.70	2.50	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85		
K	10-RIDE	29.00	27.00	25.00	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50		
50-55	MONTHLY	108.75	101.25	93.75	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90		
	1-WAY	3.10	2.90	2.70	2.50	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85	
L	10-RIDE	31.00	29.00	27.00	25.00	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50	
55-60	MONTHLY	116.25	108.75	101.25	93.75	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90	
	1-WAY	3.30	3.10	2.90	2.70	2.50	2.30	2.15	1.95	1.75	1.55	1.35	0.95	0.85
M	10-RIDE	33.00	31.00	29.00	27.00	25.00	23.00	21.50	19.50	17.50	15.50	13.50	9.50	8.50
60-65	MONTHLY	123.75	116.25	108.75	101.25	93.75	86.25	80.65	73.15	65.65	58.15	50.65	35.65	31.90

Deviations From Previously Adopted RTA Three-Year Program

(Fiscal Years 2001-2003)

Section 3B.10 of the Regional Transportation Authority Act (as amended November 9, 1983) requires that the proposed One-Year Commuter Rail Program address any deviations from the RTA's previously adopted Three-Year Program. Differences in projections for Fiscal Year 2002 are in the following table. Minor differences are not addressed.

Fiscal Year 2002 Projections

Program Category	As Adopted in RTA's Three Year Program (2001-2003)	As Currently Proposed	Remarks
Passenger Revenue	$186,570,000	$192,633,000	2002 passenger revenue is projected to increase due to a mid-year 5% fare increase. Ridership is projected to be essentially on target with the previous financial plan.
Other Revenue	$56,680,000	$53,114,000	Investment income is projected to be lower due to lower rates. Capital credits are increasing as the capital program expands, offsetting part of the lower investment income projection.
Total Expense	$447,655,000	$449,621,000	Total Expense is higher than the original plan by $2.0 million. This is due to higher projected expenses, added passenger service and higher Health Insurance costs.

September 2001

METRA - METROPOLITAN RAIL
2002 PROJECTED CASHFLOW SUMMARY

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
BEGINNING BALANCE													
December 31, 2001	$132,500,000												
OPENING BALANCE LINE		$130,722,844	$129,234,016	$131,928,980	$128,247,269	$125,831,722	$125,450,675	$125,420,678	$126,234,675	$127,063,375	$127,646,388	$128,981,468	
SOURCE OF FUNDS:													
OPERATING REVENUE	20,052,973	18,676,788	19,635,203	19,364,881	20,446,168	20,814,789	21,699,479	21,576,605	20,298,720	21,773,203	21,822,353	19,586,055	245,747,217
PUBLIC FUNDING	19,812,000	19,716,000	24,336,000	17,537,000	17,886,000	19,361,000	20,257,000	20,746,000	21,438,000	20,237,000	19,874,000	20,118,000	241,318,000
CAPITAL FAREBOX PROCEEDS	797,025	738,935	779,134	765,665	804,471	818,687	859,700	851,213	785,996	852,776	806,478	730,935	9,591,015
FTA CAPITAL GRANTS	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	15,261,250	183,135,000
(FTA SHARE)													
IDOT CAPITAL GRANTS	2,357,917	2,357,917	2,357,917	2,357,917	2,357,917	2,357,917	2,357,917	2,357,916	2,357,916	2,357,916	2,357,916	2,357,917	28,295,000
(IDOT SHARE/OTHER)													
RTA CAPITAL GRANTS	19,130,485	19,130,485	19,130,485	9,330,572	9,330,572	9,330,572	15,040,921	15,040,921	15,040,923	5,903,843	5,903,843	5,903,842	148,217,464
(RTA SHARE/100%)													
TOTAL SOURCE OF FUNDS	$77,411,650	$75,881,375	$81,499,989	$64,617,285	$66,086,378	$67,944,215	$75,476,267	$75,833,905	$75,182,805	$66,385,988	$66,025,840	$63,957,999	$856,303,696
USE OF FUNDS													
OPERATING EXPENSE	$37,976,977	$36,158,374	$37,593,196	$36,887,080	$37,090,009	$36,913,346	$38,383,999	$37,897,644	$37,231,840	$37,817,790	$36,705,576	$38,965,470	$449,621,301
FTA/LOCAL SHARE PROJ. FTA SHARE	10,959,315	10,959,315	10,959,315	10,959,315	10,959,315	10,959,315	10,959,315	10,959,315	10,959,315	10,959,316	10,959,316	10,959,316	131,511,783
FTA/LOCAL SHARE PROJ. FTA SHARE NEW START	4,301,935	4,301,935	4,301,935	4,301,935	4,301,935	4,301,935	4,301,935	4,301,935	4,301,935	4,301,934	4,301,934	4,301,934	51,623,217
FTA/LOCAL SHARE PROJ. IDOT SHARE	2,356,491	2,356,491	2,356,491	2,356,491	2,356,491	2,356,491	2,356,491	2,356,490	2,356,490	2,356,490	2,356,490	2,356,490	28,277,887
FTA/LOCAL SHARE PROJ. RTA SHARE	607,134	607,134	607,134	607,134	607,134	607,134	607,134	607,134	607,135	607,135	607,135	607,135	7,285,612
FTA/LOCAL SHARE PROJ. RTA SHARE BONDS NEW START	843,792	843,792	843,792	843,792	843,792	843,792	811,573	811,573	811,573	811,573	811,573	811,573	9,932,190
FTA/LOCAL SHARE PROJ. METRA SHARE	442,530	442,530	442,530	442,530	442,530	442,530	442,530	442,530	442,529	442,529	442,529	442,529	5,310,356
100% IDOT FUNDED PROJECTS	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,426	1,427	17,113
100% RTA FUNDED PROJECTS DISCRETIONARY	1,356,782	1,356,782	1,356,782	1,356,782	1,356,782	1,356,782	1,356,782	1,356,782	1,356,783	1,356,783	1,356,783	1,356,783	16,281,388
100% RTA FUNDED PROJECTS BONDS	16,322,777	16,322,777	16,322,777	6,522,864	6,522,864	6,522,864	12,265,432	12,265,432	12,265,432	3,128,352	3,128,352	3,128,351	114,718,274
100% METRA FUNDED PROJECTS	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,647	4,019,646	4,019,646	48,235,762
TOTAL USE OF FUNDS	$79,188,806	$77,370,203	$78,805,025	$68,298,996	$68,501,925	$68,325,262	$75,506,264	$75,019,908	$74,354,105	$65,802,975	$64,690,760	$66,950,654	$862,814,883
NET CHANGE	(1,777,156)	(1,488,828)	2,694,964	(3,681,711)	(2,415,547)	(381,047)	(29,997)	813,997	828,700	583,013	1,335,080	(2,992,655)	(6,511,187)
ENDING BALANCE	$130,722,844	$129,234,016	$131,928,980	$128,247,269	$125,831,722	$125,450,675	$125,420,678	$126,234,675	$127,063,375	$127,646,388	$128,981,468	$125,988,813	

Page Intentionally Blank

Commuter Rail Board Ordinance

No. MET 01-17

This proposed budget and financial plan is submitted to comply with Section 4.11 of the RTA Act. The following 2002 Operating and Capital Program and Budget is based upon the funding estimates provided by the Regional Transportation Authority.

WHEREAS, the Board of Directors of the Commuter Rail Division of the Regional Transportation Authority has prepared and distributed a Preliminary 2002 Operating and Capital Program and Budget, and

WHEREAS, the Commuter Rail Board has held at least one public hearing in each of the counties in the metropolitan region in which the Division provides service, and

WHEREAS, the Commuter Rail Board has held at least one meeting for consideration of the program and budget with the county board of each of the several counties in the metropolitan region, and

WHEREAS, the RTA Board has advised the Commuter Rail Board of funding estimates;

NOW, THEREFORE, BE IT ORDAINED THAT:

1. The Board of Directors of the Commuter Rail Division of the Regional Transportation Authority ("Commuter Rail Division") hereby approves the 2002 Operating and Capital Program and Budget, the 2003-2004 Financial Plan, and the 2003-2006 Capital Program, a copy of which is attached hereto and made a part hereof, and further authorizes its transmittal to the Board of Directors of the Regional Transportation Authority ("Authority") in full compliance with Section 4.11 of the RTA Act, as amended.

2. The Chairman of the Commuter Rail Division and, at the Chairman's designation, the Executive Director of the Commuter Rail Division are hereby authorized and directed to take such action as they deem necessary or appropriate to implement, administer, and enforce this Ordinance.

3. This Section shall constitute the annual program of the Commuter Rail Division for services to be provided, operations to be continued or begun, and capital projects to be continued or begun during the fiscal year beginning January 1, 2002 and ending December 31, 2002. Authorization is hereby given that the programs and projects herein named may be implemented, or actions toward their implementation taken, during said fiscal year.

4. Sections 5 through 7 of this Ordinance shall constitute the Budget for operations of the services ("Operations") provided by the Commuter Rail Division other than for capital projects as provided in Section 8 through
10 of this Ordinance for the fiscal year beginning January 1, 2002 and ending December 31, 2002. Sections 8 through 10 or this Ordinance shall constitute the capital budget for project expenditures incurred during the fiscal year beginning January 1, 2002 and ending December 31, 2002.

5. The estimated Commuter Rail Division revenues expected to be available from all sources during 2002 are (In 000's):

2002 System Generated Revenues	$245,747
2002 Metra Sales Tax	203,874

6. The following named sums, or so much as may be necessary, are hereby appropriated for the specified use (In 000's):

Operating Commuter Rail Services and Support	$449,621

7. The following are estimates of the revenues and expenses for the Commuter Railroads
(In 000's):

Operating Revenues	$245,747
Operating Expenses	449,621
Total Funded Deficit	$203,874

8. The following named sum, or so much thereof as may be necessary, respectively, for technical studies and capital projects which remain unexpended as of December 31, 2001, is hereby reappropriated to meet all obligations of the Commuter Rail Division incurred during the fiscal year beginning January 1, 2002 and ending December 31, 2002 (In 000's).

Total Estimated Cost of Continuation Projects:	$676,582

9. The estimated Commuter Rail Division Capital Funds expected to be available from all sources to finance the 2002 Capital Program are (In 000's):

Federal Transit Administration		$179,087
Regional Transportation Authority		
SCIP Bonds II	117,000	
Discretionary Funds	5,661	
Other	400	
RTA Subtotal		123,061
Illinois Department of Transportation		12,638
Metra		
FY 2002 Sales Tax	38,161	
FY 2002 Farebox Capital	9,591	
Retained Earnings	3,769	
Deobligation of Prior Years' Funds	2,217	
Metra Subtotal		53,738
Other Local Funds		3,125
Total Sources of 2002 Capital Funds		$371,649

10. The following named sum, or so much thereof as may be necessary, respectively, for
technical studies and capital projects are hereby appropriated to meet all obligations of
the Commuter Rail Division incurred during the fiscal year beginning January 1, 2002
and ending December 31, 2002 (In 000's):

Rolling Stock	$ 110,711
Track & Structure	65,712
Signal, Electrical & Communications	32,750
Support Facilities & Equipment	17,940

Public Hearings

The legal notice of the 2001 public hearings was published in the Chicago Tribune on October 18, 2001. The legal notice also appeared in the following local newspapers, Northwest Herald (Crystal Lake), Herald News (Joliet), Courier News (Elgin), and News-Sun (Waukegan).

The Commuter Rail Division of the Regional Transportation Authority (Metra) held public hearings on its proposed Operating and Capital Program and Budget for Fiscal Year 2002 (January 1, 2002 to December 31, 2002). Listed below are the dates, times, and locations

Suburban Cook - (North)

Wednesday, November 7, 2001
4:00 - 7:00 P.M.
Arlington Heights Village Hall
Hanson Room – 2nd Floor
33 S. Arlington Heights Road
Arlington Heights, Illinois

Chicago

Wednesday, November 7, 2001
4:00 - 7:00 P.M.
Metra 13th Floor Board Room
547 W. Jackson Blvd.
Chicago, Illinois

DuPage County

Thursday, November 8, 2001
4:00 - 7:00 P.M.
Village of Clarendon Hills Committee Room
1 N. Prospect Avenue
Clarendon Hills, Illinois

Kane County

Wednesday, November 7, 2001
4:00 - 7:00 P.M.
Kane County Government Center
Bldg. A, Auditorium
719 Batavia
Geneva, Illinois

McHenry County

Wednesday, November 7, 2001
4:00 - 7:00 P.M.
McHenry County Court House
Room C-290
2200 N. Seminary Avenue
Woodstock, Illinois

Will County

Thursday, November 8, 2001
4:00 - 7:00 P.M.
Joliet Municipal Building – 1st Floor
East Wing Conference Room
150 W. Jefferson Street
Joliet, Illinois

Lake County

Thursday, November 8, 2001
4:00 - 7:00 P.M.
College of Lake County Grayslake Campus – Room C131
19351 West Washington Street
Grayslake, Illinois

Suburban Cook - (South)

Thursday, November 8, 2001
4:00 - 7:00 P.M.
Oak Lawn Village Hall
Municipal Center Auditorium
9446 S. Raymond
Oak Lawn, Illinois