



# Suburban Service and Regional ADA Paratransit Budget

*2026 Operating Budget  
2027–2028 Two-Year Financial Plan  
2026–2030 Five-Year Capital Program*

*Final Program • November 2025*





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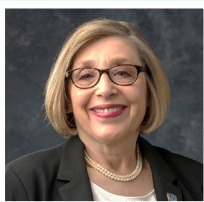
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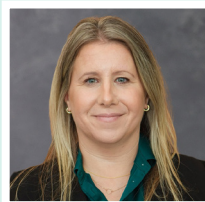
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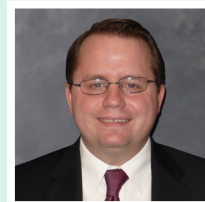
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Dear Stakeholders,

Pace has always been more than a transit agency. We are a vital connector of people, places, and opportunities across the region. This budget reinforces our commitment to our mission by strengthening our investments in our passengers, communities, and services that help drive the region's economic prosperity.

Thanks to the Illinois General Assembly and the Illinois Governor's Office, new legislation approved this past fall will generate more than a billion dollars for transit agencies. The legislation represents a historic investment in public transit for northeastern Illinois. Pace looks forward to continuing its tradition of using the public's resources efficiently and effectively to expand and enhance our services.

Because of this legislation, Pace is now positioned to deliver what we do best—connect people to opportunity. Every day, thousands of riders rely on us to reach jobs, school, medical appointments, and the activities that fulfill life. Our buses strengthen industrial corridors and expand access to talent for employers. And our paratransit system empowers people with disabilities and older adults to participate fully in our economy and civic life.

We can now move forward with the service expansions identified in *ReVision*, our ambitious network restructuring project that began more than a year ago. Our *ReVision* work will lead to more frequent service, new rapid transit corridors, expanded bus-on-shoulder operations, and innovative mobility solutions for riders throughout our region.

In this budget book, you'll find more than just numbers. You'll see the work behind the figures—the partnerships and priorities that led us to this historic moment.

Pace cannot wait to meet this moment and continue the momentum toward a stronger and more resilient transit system. With the support of our riders, employees, and elected officials, we look forward to building the world-class transit system our passengers deserve.

Sincerely,

A handwritten signature in blue ink that reads "Melinda J. Metzger".

Melinda J. Metzger  
Executive Director  
Pace Suburban Bus





Dear Partners and Stakeholders,

On behalf of the Pace Board of Directors, I am pleased to share our 2026 budget. This budget reflects the historic investments in public transit made possible by the work of our elected officials in Springfield.

The entire Pace organization would like to thank the Illinois General Assembly and the Illinois Governor's Office for its commitment and dedication to making this legislation possible.

Pace also would like to express our sincere gratitude to the General Assembly for their leadership and tireless work on this critical issue. It is also important to recognize the labor and transit advocacy groups who worked in partnership with us throughout this process.

Because of this legislation, the 2026 budget moves forward the agency's vision for sub-urban bus service. This budget will begin to incorporate our *ReVision* work, including more frequent service and the expansion of our popular Pulse bus rapid transit network. It also is mindful of the economic realities facing the riding public and contains no fare increases.

This document is more than a budget. It is a blueprint for how we can serve our communities with sustainable and dedicated funding.

Through stronger improvements to our infrastructure, technology, and service delivery, we can continue to show the impact of careful planning and wise investment. These achievements reflect the hard work of our employees, the guidance of our Board, and the steadfast support of our partners at every level of government.

With continued collaboration, smart planning, and sustainable funding solutions, we will ensure that transit not only survives but thrives—strengthening the economic vitality and quality of life across our region.

Thank you for your continued trust and partnership.

Sincerely,

A handwritten signature in black ink that reads "Rick Kwasneski". The signature is fluid and cursive, with the first name "Rick" and last name "Kwasneski" clearly legible.

Rick Kwasneski

*Chairman, Pace Board of Directors*

# Connecting Communities



Cook County • DuPage County • Will County • Kane County • Lake County • McHenry County

## Budget Highlights

The Suburban Service and Regional ADA Paratransit Service budgets are balanced to updated funding levels approved by the Regional Transportation Authority (RTA) Board of Directors on November 6, 2025. The RTA Board of Directors updated 2026 funding levels after the Illinois General Assembly passed Senate Bill (SB) 2111, which is expected to provide \$564.7 million in new operating funding for the region in 2026 and is expected to grow to over \$1.2 billion in 2027 and beyond.

### *Suburban Service*

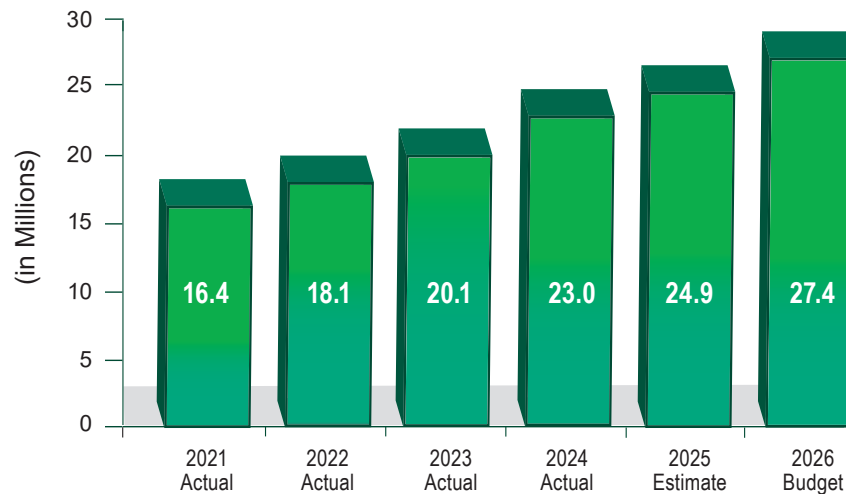
The 2026 Suburban Service operating budget maintains Pace's current fare levels and includes additional service to improve frequency on existing fixed routes and expanded On Demand services throughout the six-county area. Pace Suburban Service has been allocated \$18.9 million of new SB2111 funding in 2026 and will achieve a balanced budget through the one-time use of \$45.7 million in previous years' Positive Budget Variance.

The 2026 Suburban Service Capital Program totals \$76.1 million and includes support for rolling stock, facilities, and equipment. Highlights of the 2026 capital budget include \$30.4 million to replace 22 diesel buses with hybrid electric and battery electric buses and \$2.0 million to replace 17 paratransit vehicles. The budget also includes \$12.6 million to replace voice and data radios that have exceeded their useful life and \$27.8 million to continue multi-year funding for the electrification and expansion of the Northwest, River, and Southwest Division garages.

### *Regional ADA Paratransit*

The 2026 Regional ADA Paratransit budget is balanced to the RTA-approved funding level of \$325.3 million from sales tax and \$11.5 million from a state grant for ADA Paratransit services. The approved funding level fully funds federally required ADA Paratransit services and also includes \$56.7 million of new SB2111 funding to support subsidized Taxi Access and Rideshare Access programs for the entire year while holding fares steady at \$3.25 for all services.

**CHART A. Total System Ridership**





# Executive Summary

## 2026 Combined Operating Budget Summary

The 2026 budgets for Suburban Service and the Regional ADA Paratransit program are balanced to the funding levels and recovery ratio requirements approved by the RTA on November 6, 2025.

The 2026 Suburban Service expense budget is \$372.4 million. Suburban Service operating revenue is budgeted at \$50.8 million. Total public funding for Suburban Service is estimated at \$275.9 million, leaving a funding shortfall of \$45.7 million. Positive budget variance will be used to fund the remaining deficit.

The 2026 Regional ADA Paratransit Services expense budget is \$361.3 million and the operating revenue budget

is \$24.5 million. Total public funding for Regional ADA Paratransit Service is \$336.8 million. This will fully fund traditional ADA Paratransit services and a full year of subsidized Taxi Access and Rideshare Access programs.

Senate Bill 2111 has set the regional recovery ratio requirement at 25.0% for RTA, CTA, Metra, and Pace Suburban Service and 5.0% for Regional ADA Paratransit Service. While this requirement is waived for 2026, RTA has set 2026 recovery ratio goals of 12.0% for Suburban Service and 5.0% for Regional ADA Paratransit Service. The 2026 budget assumptions exceed both goals.

**Table 1. 2026 Combined Services Operating Budget Summary (000s)**

	Suburban Service	Regional ADA Paratransit	Combined Pace Services
<b>Total Operating Expenses</b>	\$372,412	\$361,263	\$733,675
Less: Total Operating Revenue	50,765	24,451	75,216
<b>Funding Requirement</b>	<b>\$321,647</b>	<b>\$336,812</b>	<b>\$658,459</b>
Less:			
Sales Tax (Part I)	\$150,934	\$0	\$150,934
Sales Tax (Part II)	23,375	268,564	291,939
PTF (Part I)	0	0	0
PTF (Part II)	30,036	0	30,036
Suburban Community Mobility Fund (SCMF)	39,767	0	39,767
South Suburban Job Access Fund	7,500	0	7,500
RTA Sales Tax (Part I)	0	0	0
RTA Discretionary/SB2111 Funds	18,874	56,748	75,622
Federal Discretionary Fund Programs	5,436	0	5,436
State ADA Funds	0	11,500	11,500
Positive Budget Variance	45,725	0	45,725
<b>Net Funding Available</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio</b>	<b>13.63%</b>	<b>6.77%</b>	

## 2026 Capital Budget Summary

The preliminary Capital Program funding marks prepared by the RTA include estimated federal, state, and local funds that are expected to be available to the region for capital investment purposes. Listed below are the highlights of the 2026 capital budget.

### Suburban Service

The 2026 Suburban Service Capital Program totals \$76.1 million.

The program consists of:

- \$32.4 million for Rolling Stock, including 22 fixed route buses and 17 paratransit vehicles.
- \$12.6 million for Electrical/Signal/Communications, including voice and data radios.
- \$31.1 million for Support Facilities & Equipment, including River Division construction, Northwest Wheeling Division construction, electrification/expansion of Southwest Division, computer hardware, non-revenue vehicles, and security cameras.

**Table 2.**  
**2026 Suburban Service Capital Budget (000s)**

	Amount
<b>Rolling Stock</b>	
Fixed Route Hybrid Buses (13)	\$16,900
Fixed Route Electric Buses (9)	13,500
Paratransit Vehicles (17)	2,037
<b>Subtotal</b>	<b>\$32,437</b>
<b>Electrical/Signal/Communications</b>	
Voice Radios	\$9,600
Data Radios	2,960
<b>Subtotal</b>	<b>\$12,560</b>
<b>Support Facilities &amp; Equipment</b>	
River Division Construction	\$12,000
Northwest Wheeling Division Construction	8,250
Southwest Division Electrification/Expansion	7,500
Computer Hardware	1,948
Non-Revenue Vehicles	840
Security Cameras	550
<b>Subtotal</b>	<b>\$31,088</b>
<b>Total Suburban Capital Program</b>	<b>\$76,085</b>
<b>Total Funding</b>	
Federal 5307/5339	\$55,835
State PAYGO	20,250
<b>Total Suburban Funding</b>	<b>\$76,085</b>

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## 2026 Suburban Service Operating Budget

Pace's 2026 Suburban Service operating budget projects \$372.412 million in operating expenses and \$50.765 million in operating revenue. The resulting funding requirement of \$321.647 million is funded by sales tax and other public funding.

The RTA marks for 2026 provide a total of \$270.486 million in funding generated from Regional Sales Tax. This is a 4.1% increase from 2025 estimated levels, reflecting additional funding expected to be available after the Illinois General Assembly passed Senate Bill (SB) 2111 on October 31, 2025. The legislation defines new funding sources to support transit operations in the region and will be effective as of June 1, 2026. Of Pace's \$270.486 million in sales tax funding, \$18.874 million is expected from the new funding sources identified in SB2111.

A total of \$2.936 million in federal Congestion Mitigation/Air Quality (CMAQ) funds will be used to support Pulse Dempster operations and \$2.500 million in federal 5310 funds will be used to support call center operations.

A total of \$45.725 million of Positive Budget Variance will be used to cover the shortfall in sales tax and operating revenue.

Ridership is projected to increase 10.1% in 2026 to 20.2 million trips, reflecting planned fixed route and On Demand service enhancements. Pace plans to increase fixed route service by 9.1% and more than double On Demand service throughout the six-county area to provide first mile/last mile connectivity for Pace's riders.

An amendment to the RTA Act which waived the 50% regional recovery ratio requirement due to the impact of the coronavirus pandemic expired at the end of 2025. Senate Bill 2111 extended the recovery ratio waiver through the end of 2026 but also lowered the combined regional recovery ratio requirement to 25% for all Service Boards. As such, RTA has set Pace's recovery ratio requirement to 17.5% in 2025 and 12.0% in 2026 and later. Pace will use credits authorized by the RTA to meet the goal in 2025. No credits have been assumed for 2026 and later.

**Table 3. 2026 Suburban Service Operating Budget Summary (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Total Operating Expenses</b>	\$274,950	\$329,953	\$372,412
Less: Total Operating Revenue	54,595	49,172	50,765
<b>Funding Requirement</b>	<b>\$220,355</b>	<b>\$280,781</b>	<b>\$321,647</b>
Less:			
Sales Tax (Part I)	\$132,006	\$146,099	\$150,934
Sales Tax (Part II)	21,486	23,883	23,375
PTF (Part I)	6,354	6,958	0
PTF (Part II)	25,986	28,783	30,036
Suburban Community Mobility Fund (SCMF)	34,779	35,850	39,767
South Suburban Job Access Fund	7,500	7,500	7,500
RTA Sales Tax (Part I)	7,512	10,657	0
RTA Discretionary/SB2111 Funds	0	0	18,874
Non-federal Discretionary Fund Programs	334	0	0
Federal Discretionary Fund Programs	8,724	5,916	5,436
Positive Budget Variance	0	15,135	45,725
<b>Net Funding Available</b>	<b>\$24,326</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio</b>	<b>26.31%</b>	<b>19.99%</b>	<b>13.63%</b>

## Sources of Funds

Pace relies on two sources to fund operations—funds classified as “public”, which come from the State of Illinois and the federal government, and revenue derived from operations.

Public funding is split into two main categories—Part I and Part II. Part II funding was added in 2008 as a result of legislative funding changes which increased the amount and sources of funds and established a new allocation basis for the additional funding. The main sources of funding for both Part I and Part II funding are the same—a regional sales tax and a state sales tax matching grant from the Public Transportation Fund (PTF). Part II funding is provided in addition to Part I funding and the two taken together comprise the total public funding available.

On October 31, 2025, the Illinois General Assembly passed Senate Bill (SB) 2111 which amends the existing Regional Transportation Authority (RTA) Act (70 ILCS 3615). In addition to significant governance changes, this legislation defines new funding sources to support transit operations effective June 1, 2026. Specifically, SB2111 directs the current sales tax on motor fuels to transit operations and allows for a 0.25% increase to the existing RTA regional sales tax. These new funding sources will not be matched by the Public Transportation Fund.

The state imposes a 1.5% administrative surcharge on all RTA sales tax before it is allocated to RTA and the Service Boards.

**Table 4. Allocation of Part I Sales Tax Receipts**

	RTA	CTA	Metra	Pace
Chicago	15%	(100%	0%	0% of remaining 85%)
Suburban Cook	15%	(30%	55%	15% of remaining 85%)
Collar Counties	15%	(0%	70%	30% of remaining 85%)

**Table 5. Regional Sales Tax & Public Transportation Fund Trends (000s)**

	2022 Actual	2023 Actual	2024 Actual	2025 Estimate	2026 Budget
<b>Regional Funds</b>					
Sales Tax - Part I	\$1,161,319	\$1,206,550	\$1,264,349	\$1,398,958	\$1,445,647
PTF Match to Sales Tax - Part I (25%)	294,582	307,069	317,694	347,883	366,095
Sales Tax - Part II	408,248	424,333	444,309	497,806	508,019
PTF Match to Sales Tax - Part II (+5% Part I)	205,005	207,983	213,622	237,392	248,295
<b>Total Sales Tax and PTF</b>	<b>\$2,069,154</b>	<b>\$2,145,935</b>	<b>\$2,239,974</b>	<b>\$2,482,039</b>	<b>\$2,568,056</b>
<b>Pace Share of Regional Funds</b>					
Sales Tax - Part I	\$123,182	\$127,231	\$132,006	\$146,099	\$150,934
PTF Match to Sales Tax - Part I	5,892	6,141	6,354	6,958	0
Sales Tax - Part II and PTF - Part II	78,094	80,942	84,512	88,516	93,178
<b>Total Pace Share</b>	<b>\$207,168</b>	<b>\$214,314</b>	<b>\$222,872</b>	<b>\$241,573</b>	<b>\$244,112</b>
<b>Pace Funding as a Percent of Regional Funding</b>					
PTF Match to Sales Tax - Part II (RTA Discretionary)	2.0%	2.0%	2.0%	2.0%	0.0%
Sales Tax - Part I and PTF - Part I	8.9	8.8	8.7	8.8	8.3
Sales Tax - Part II and PTF - Part II	12.7	12.8	12.8	12.0	12.3
<b>Total Receipts</b>	<b>10.0%</b>	<b>10.0%</b>	<b>9.9%</b>	<b>9.7%</b>	<b>9.5%</b>

By September 15 each year, the RTA is required to advise Pace and the other Service Boards of the amounts and timing of public funds provided for the coming and following two fiscal years. The RTA is also required to establish a recovery ratio at this time which indirectly sets the levels of operating revenue that each of the Service Boards needs to achieve to meet the RTA marks. Further discussion of the RTA marks and the budget process can be found in Appendix G. A detailed look at the funding sources is provided below.

## Funding Sources - Part I

### Sales Tax

The Part I sales tax amount represents the pre-2008 sales tax imposed by the RTA. The effective sales tax rate for Part I is 1.0% in Cook County and 0.25% in Will, Lake, Kane, DuPage, and McHenry Counties. Part I sales tax is distributed to the RTA and the Service Boards in accordance with the allocation shown in Table 4.

The estimated Part I sales tax funding mark for Pace is \$150.934 million for 2026. This represents approximately 10.4% of the total RTA region's estimate of \$1.446 billion. The RTA estimate for Pace Part I Sales Tax receipts is 3.3% higher than 2025 estimated levels. The RTA estimate is based on a projection of current sales tax trends which continue to rise over prior year levels. Table 5 highlights recent trend and upcoming estimates for Part I sales tax revenue for both the region and Pace.

### Public Transportation Fund (PTF)

Section 4.09 of the RTA Act establishes a Public Transportation Fund in the State Treasury. The PTF is to be funded by transfers from the General Revenue Fund. All funds in the PTF are to be allocated and paid to the RTA, provided it meets the budgeting and financial requirements set forth in the Act. The amount transferred to the fund under Part I equals 25% of the net revenue realized from the Part I sales tax.

For 2026, the RTA will not provide Pace with a portion of the PTF match received for Part I Sales Tax revenue. Instead, all funding from the PTF match for Part I Sales Tax will be allocated to CTA.

## Funding Sources - Part II Sales Tax & PTF

The passage of Public Act 95-0708 in January 2008 restructured RTA governance, oversight responsibilities,

and funding. Pace operating funding was enhanced with additional resources that are based on new sales taxes and matching PTF allocations.

Under the new funding package, the regional sales tax is increased by 0.25% of 1% throughout the six-county region. An additional PTF grant from the State equal to 5% of total sales tax collections—Part I existing sales tax and the new additional 0.25% sales tax—was established.

The existing PTF match of 25% of sales tax was extended to the new 0.25% sales tax, bringing the total PTF match to 30%. Authorization for a Real Estate Transfer Tax (RETT) was created in the City of Chicago with the proceeds of RETT and a State 25% match from PTF on RETT going to CTA.

Funds generated by the new package are pooled and then allocated by the state statute. The allocation for 2026 is as follows:

- \$268.564 million is allocated to Regional ADA Paratransit Service based on program requirements.
- \$39.767 million is allocated to Pace under the Suburban Community Mobility Fund (SCMF).
- \$19.883 million is allocated to the RTA for the Innovation, Coordination and Enhancement (ICE) fund.
- \$17.246 million is allocated to CTA for the 25% PTF match on RETT.

The SCMF and ICE amounts are adjusted annually for sales tax performance (Table 6). The remaining balance is allocated to CTA (48%), Metra (39%), and Pace (13%).

In addition to the above funds, Public Act 95-0708 requires RTA to provide Pace \$7.5 million annually for services in south Cook County, but this funding is not required to be provided out of Part II Sales Tax or PTF funding.

Table 6 shows the allocation of the new funding sources for the 2026 RTA budget.

## Suburban Community Mobility Fund (SCMF)

In 2026, the \$39.767 million available through SCMF will allow Pace to provide non-traditional transit services such as demand response, vanpool, ridesharing, reverse commute, bus rapid transit, and other innovative services that enhance suburban mobility. Both new and existing services are eligible for SCMF funding. For 2026, Pace will use these funds to support existing services. SCMF fund levels are tied to the percentage change in sales taxes.



## South Suburban Cook Job Access Fund

While not representing a new source of funds, the RTA legislation (January 2008) established a requirement that the RTA provide \$7.5 million annually to Pace for the provision of services in south Cook County.

The \$7.5 million does not grow with sales tax growth. These funds can be used for new or existing services that focus on employment opportunities. In 2026, Pace expects to spend a total of \$47.873 million for services in south Cook County for two of its operating divisions—South Division in Markham and Southwest Division in Bridgeview.

## Senate Bill (SB) 2111 Funds

The provisions of SB2111, passed by the Illinois General Assembly on October 31, 2025, will again restructure governance, oversight responsibilities, and funding in the region. Effective June 1, 2026, the legislation increases the amount of funding to support transit operations, directing the current sales tax on motor fuels to transit operations and allowing for a 0.25% increase to the existing RTA regional sales tax. These new funding sources will not be matched by the Public Transportation Fund. As of the effective date of the legislation, all statutory funding allocations for RTA Sales Tax I and II are abolished and, after a six-year transition period, all funding will be allocated to the Service Boards based on a service standards framework.

While regional operating funding is expected to increase approximately \$1.2 billion annually as a result of this legislation, RTA has estimated that there will be an additional \$564.7 million of funding available in 2026 due to the June 1, 2026 effective date of the legislation. Pace Suburban Service has been allocated \$18.874 million of this funding to support operations in 2026.

## Federal Discretionary Fund Programs

### *Congestion Mitigation/Air Quality (CMAQ) Program*

Pace relies on funds from the CMAQ program to implement and maintain various new services that support program objectives. Funding from this source is included in 2026 to support Pulse Dempster service.

### *Enhanced Mobility of Seniors and Individuals with Disabilities (\$5310)*

This program encourages service and facility improvements to address the transportation needs of persons

**Table 6.**  
**Allocation of Part II Sales Tax Receipts (000s)**

	2026 Budget
Sales Tax - Part II	\$508,019
PTF - Part II	248,295
<b>Total Sales Tax II &amp; PTF II</b>	<b>\$756,314</b>
<b>Distribution of Sales Tax - Part II and PTF - Part II</b>	
Less:	
Regional ADA Paratransit Fund	\$268,564
Suburban Community Mobility Fund - Pace	39,767
ICE Fund - RTA	19,883
25% PTF Match on RETT - CTA	17,246
<b>Balance Available for Allocation to Service Boards</b>	<b>\$410,854</b>
<b>Service Board Allocation</b>	
CTA - 48%	\$197,210
Metra - 39%	160,233
Pace - 13%	53,411
<b>Total Service Board Allocation</b>	<b>\$410,854</b>

with disabilities that go beyond those required by the Americans with Disabilities Act. Funding from this source is included in 2026 to support the Regional Mobility Management Call Center (RMMCC).

## Positive Budget Variance

A service board generates positive budget variance (PBV) when funding available exceeds funding required in a given year. These funds are held by a service board until such time that the service board chooses to use the funds for capital or operating purposes. Funding from this source will be used to balance 2026 funding to the estimated funding requirement.

## Operating Revenue

The 2026 budget includes \$50.765 million of operating revenue, a 3.2% increase from the 2025 estimate. An expected increase in farebox revenue due to additional service is partially offset by an expected decrease in interest income.

## Uses of Funds

All funds received in 2026 will be used to support Pace services. The components of the 2026 Suburban Service operating program are fixed route services (i.e., Pace divisions, public/municipal-contracted, and private-contracted); demand response services; the Vanpool program; centralized support expenses; and costs for administration.

### *Pace Divisions*

Pace is responsible for the direct operation of service from nine divisions in the six-county region. Together, these divisions—North, North Shore, Northwest, South, Southwest, West, Fox Valley, River, and Heritage—carry 88% of the total suburban service ridership. Pace expects to expend \$174.117 million for these services in 2026. Further information can be found on page 12.

### *Public/Municipal Contracted Services*

Pace will contract directly with two municipalities (Niles and Highland Park) and maintain an agreement with the Village of Schaumburg for fixed route services. These services are expected to cost an estimated \$4.131 million in 2026. Further information can be found on page 13.

### *Private Contract Services*

Pace provides a portion of fixed route service by directly contracting with two private transit companies. The total cost for private contract services in 2026 is estimated at \$3.770 million. Further information can be found on page 14.

### *Demand Response Services*

Pace partners in 41 demand response projects throughout the six-county region. Services are operated by townships and local municipalities under contract with Pace or by private providers. Pace provides funding for these services based on a formula applied to the total service cost. The local government also provides a portion of the service cost. Additionally, Pace operates On Demand services and oversees the Community Transit Program. The total cost for demand response services in 2026 is estimated at \$33.656 million. Further information can be found on pages 15 and 16.

### *Vanpool Services*

The 2026 budget for vanpool services is \$1.984 million. This program is comprised of three elements—the Vanpool Incentive Program (VIP) provides traditional commute vanpools and VanGo services, the Advantage program provides a transit alternative to individuals who commute on a regular basis to worksites or rehabilitative workshops, and the Shuttle program provides suburban employers and qualifying not-for-profit human services organizations a means to transport employees and program participants to and from transit connections or worksites. Pace expects the Vanpool program to have 329 vans in service in 2026. Further information can be found on pages 17 and 18.

### *Centralized Support*

Pace provides a variety of direct operational support services through a centralized support program allowing Pace to save money by buying in bulk and consolidating services. In total, Pace will spend \$100.029 million to provide fuel, insurance, healthcare, and other support items in 2026. Further detail is provided on page 19.

### *Administration*

To accomplish the duties of direct operational support, mobility management, service planning, capital planning, financial control and IT support, Pace's 2026 administrative budget is set at \$68.060 million. Further information can be found on page 20.

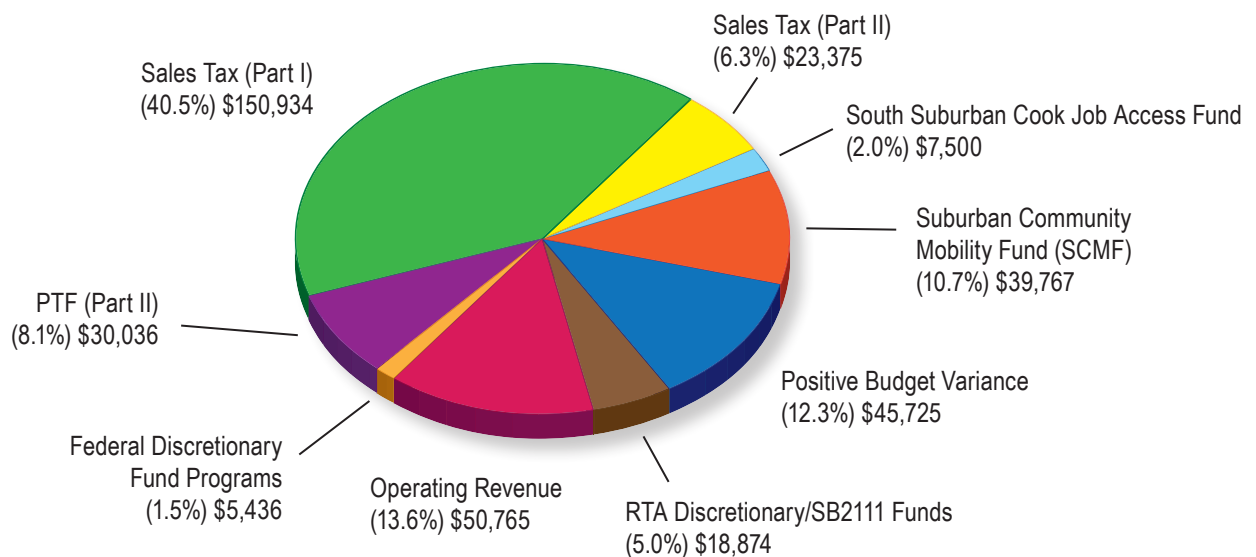
### *Regional ADA Paratransit Credit*

In July 2006, Pace assumed responsibility for providing all ADA Paratransit Service in the northeastern Illinois six-county region. To offset the cost of administrative support (i.e., Accounting, Procurement, IT and other departments), a credit is applied to the Suburban Service budget and allocated to the Regional ADA Paratransit Services budget. For 2026, the allocation is \$13.335 million.

**Table 7. Suburban Service Revenue Summary (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Operating Revenue</b>			
Pace Divisions	\$19,786	\$19,533	\$20,959
Public/Municipal Contracted Services	1,218	1,480	1,588
Private Contract Services	974	792	792
Demand Response Services	13,504	11,060	12,595
Vanpool Services	991	994	1,062
Half-Fare Reimbursement	1,460	1,760	1,767
Investment/Other Income	15,887	12,710	11,072
Advertising Revenue	775	843	930
<b>Total Operating Revenue</b>	<b>\$54,595</b>	<b>\$49,172</b>	<b>\$50,765</b>
<b>Public Funding</b>			
Sales Tax (Part I)	\$132,006	\$146,099	\$150,934
Sales Tax (Part II)	21,486	23,883	23,375
PTF (Part I)	6,354	6,958	0
PTF (Part II)	25,986	28,783	30,036
Suburban Community Mobility Fund (SCMF)	34,779	35,850	39,767
South Suburban Cook Job Access Fund	7,500	7,500	7,500
RTA Sales Tax (Part I)	7,512	10,657	0
RTA Discretionary/SB2111 Funds	0	0	18,874
Non-federal Discretionary Fund Programs	334	0	0
Federal Discretionary Fund Programs	8,724	5,916	5,436
Positive Budget Variance	0	15,135	45,725
<b>Total Public Funding</b>	<b>\$244,681</b>	<b>\$280,781</b>	<b>\$321,647</b>
<b>Total Sources of Funds</b>	<b>\$299,276</b>	<b>\$329,953</b>	<b>\$372,412</b>

**2026 Sources of Funds (000s) - Total \$372,412**



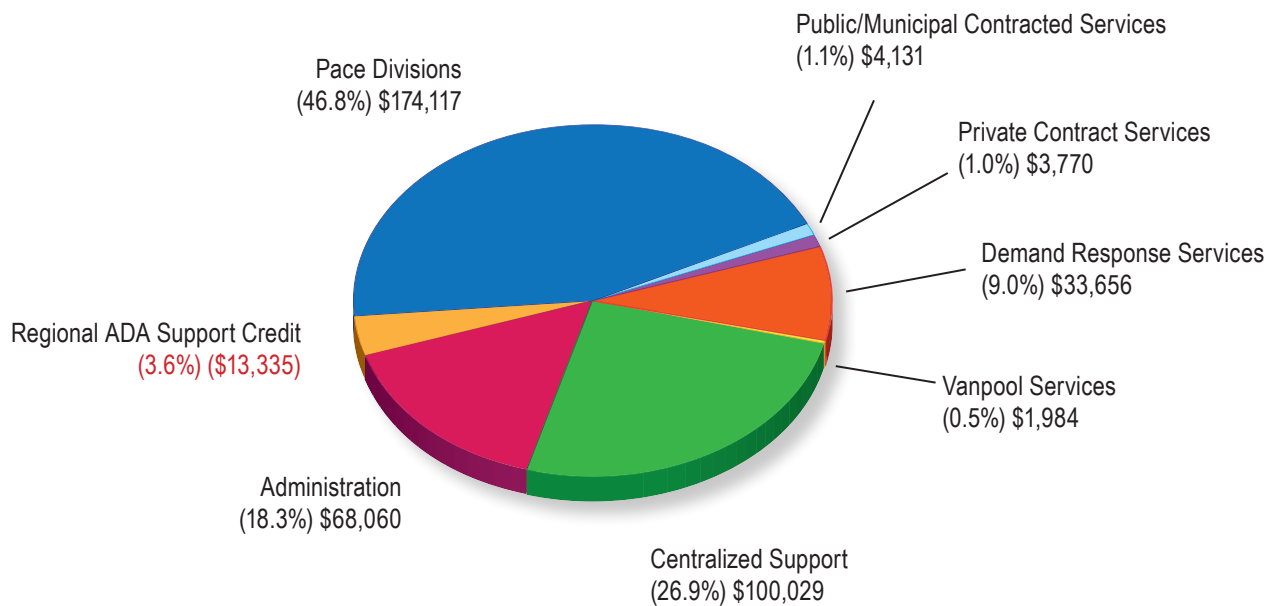


**Table 8. Suburban Service Expense Summary (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Expenses</b>			
Pace Divisions	\$140,427	\$158,557	\$174,117
Public/Municipal Contracted Services	3,488	3,859	4,131
Private Contract Services	3,899	3,572	3,770
Demand Response Services	23,616	26,166	33,656
Vanpool Services	1,569	1,842	1,984
Centralized Support	65,833	90,959	100,029
Administration*	44,196	57,024	68,060
Regional ADA Support Credit	(8,078)	(11,662)	(13,335)
<b>Total Expenses</b>	<b>\$274,950</b>	<b>\$330,317</b>	<b>\$372,412</b>
<b>Net Funding Available</b>	<b>\$24,326</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Rate</b>	<b>26.31%</b>	<b>19.99%</b>	<b>13.62%</b>

\*Includes Debt Service through 2024

## 2026 Uses of Funds (000s) - Total \$372,412



## 2026 Pace Divisions Budget



### 2026 Goals

*Pace's efforts for 2026 include providing 18.141 million rides via service provided by Pace Divisions.*

Pace operates fixed route service from nine divisions located throughout the six-county region: Fox Valley in North Aurora, Southwest in Bridgeview, Northwest in Des Plaines, River in Elgin, North Shore in Evanston, Heritage in Plainfield, South in Markham, West in Melrose Park, and North in Waukegan. Combined, these carriers account for 88.1% of the system's suburban ridership.

In 2026, Pace will spend \$174.117 million to provide service in these areas. This represents a 9.8% increase over estimated 2025 levels and is primarily due to additional service and contractual labor and fringe growth. Total revenue is expected to increase 7.3% due to additional service and increased ridership.

The budget for Pace divisions is summarized in the table below.

**Table 9. Budget Summary - Pace Divisions (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Revenue</b>			
Pace Divisions	\$19,423	\$19,081	\$20,711
CMAQ-funded Service	363	452	248
<b>Total Revenue</b>	<b>\$19,786</b>	<b>\$19,533</b>	<b>\$20,959</b>
<b>Expenses</b>			
Operations	\$90,725	\$100,932	\$115,543
CMAQ-funded Service	6,238	6,218	3,185
Maintenance	22,414	25,860	28,713
Bus Parts/Supplies	11,208	13,124	14,071
Non-Vehicle Maintenance	3,548	4,564	4,714
General Administration	6,296	7,858	7,891
<b>Total Expenses</b>	<b>\$140,429</b>	<b>\$158,556</b>	<b>\$174,117</b>
<b>Funding Requirement</b>	<b>\$120,643</b>	<b>\$139,023</b>	<b>\$153,158</b>
<b>Recovery Ratio</b>	<b>14.09%</b>	<b>12.32%</b>	<b>12.04%</b>
<b>Ridership</b>	<b>16,402</b>	<b>16,515</b>	<b>18,141</b>
<b>Vehicle Miles</b>	<b>26,139</b>	<b>26,334</b>	<b>28,727</b>
<b>Vehicle Hours</b>	<b>1,769</b>	<b>1,848</b>	<b>2,022</b>
<b>Full Time Equivalents (FTEs)</b>	<b>1,478.0</b>	<b>1,629.0</b>	<b>1,761.0</b>

*\*FTEs not rounded to nearest thousand*

## 2026 Public/Municipal Contracted Services Budget

Pace contracts with two municipalities—Highland Park and Niles—and maintains an agreement with the Village of Schaumburg for fixed route service. The budget for Public/Municipal contracted service is summarized in the table below. Detailed information is provided in Appendix F.

### Municipal Fixed Route Services

The City of Highland Park and the Village of Niles will continue to contract with Pace in order to provide fixed route services in 2026. Combined, these services will provide 0.244 million rides and generate \$1.266 million in farebox and local share revenue. Total service expenditures will reach \$3.516 million in 2026 and net required funding will be \$2.250 million.

### Schaumburg

Trolley service is provided in the Woodfield area of Schaumburg. The 2026 estimated cost of this service is \$0.615 million, which will be partially funded by the Village of Schaumburg.



### 2026 Goals

*Pace's efforts for 2026 include providing 0.265 million rides via Public/Municipal Contracted Services.*

**Table 10. Budget Summary - Public/Municipal Contracted Services (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Revenue</b>			
Highland Park	\$349	\$579	\$648
Niles	516	602	618
Schaumburg	353	299	322
<b>Total Revenue</b>	<b>\$1,218</b>	<b>\$1,480</b>	<b>\$1,588</b>
<b>Expenses</b>			
Highland Park	\$1,501	\$1,609	\$1,800
Niles	1,438	1,673	1,716
Schaumburg	549	577	615
<b>Total Expenses</b>	<b>\$3,488</b>	<b>\$3,859</b>	<b>\$4,131</b>
<b>Funding Requirement</b>	<b>\$2,270</b>	<b>\$2,379</b>	<b>\$2,543</b>
<b>Recovery Ratio</b>	<b>39.36%</b>	<b>38.24%</b>	<b>38.26%</b>
<b>Ridership</b>	<b>247</b>	<b>265</b>	<b>265</b>
<b>Vehicle Miles</b>	<b>323</b>	<b>322</b>	<b>322</b>
<b>Vehicle Hours</b>	<b>29</b>	<b>26</b>	<b>26</b>

## 2026 Private Contract Services Budget

In 2026, Pace will continue to use contract carriers for fixed route service provision in Rosemont, McHenry County, and the Wheaton/Westmont area.

The cost of providing fixed route contracted service will increase by 5.54% to \$3.770 million in 2026 due to contractual cost increases.

Operating revenue is projected to stay flat to 2025 levels, reflecting budgeted ridership.

The budget for private contract services is summarized in the table below.



### 2026 Goals

*Pace's Private Contract Services efforts for 2026 include providing service to 0.321 million riders.*

**Table 11. Budget Summary - Private Contract Services (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Revenue</b>			
Private Contract	\$974	\$792	\$792
<b>Total Revenue</b>	<b>\$974</b>	<b>\$792</b>	<b>\$792</b>
<b>Expenses</b>			
Private Contract	\$3,899	\$3,572	\$3,770
<b>Total Expenses</b>	<b>\$3,899</b>	<b>\$3,572</b>	<b>\$3,770</b>
<b>Funding Requirement</b>	<b>\$2,925</b>	<b>\$2,780</b>	<b>\$2,978</b>
<b>Recovery Ratio</b>	<b>24.98%</b>	<b>22.17%</b>	<b>21.01%</b>
<b>Ridership</b>	<b>321</b>	<b>321</b>	<b>321</b>
<b>Vehicle Miles</b>	<b>751</b>	<b>715</b>	<b>715</b>
<b>Vehicle Hours</b>	<b>45</b>	<b>41</b>	<b>41</b>



## 2026 Demand Response Services Budget

Demand Response Services include traditional local Dial-a-Ride, County-led Coordinated Service, On Demand Service, and the Community Transit Program as detailed below.

In 2026, Pace will continue to offer suburban counties the option to provide subsidized trips for eligible riders using transportation network companies (TNCs) via Pace's regionwide Rideshare Access Program (RAP).

### Local Dial-a-Ride Service

Dial-a-Ride is available in a large portion of the Pace service area through local projects serving over 125 townships and municipalities. Nearly all services are provided with Pace-owned accessible paratransit vehicles.

Pace has service agreements with villages and townships for the operation of nine dial-a-ride projects. In most cases, the local community operates the service with Pace contributing funding and providing vehicles. For 2026, Pace's funding formula for service agreements is based on providing a subsidy of \$7.00 per trip. As in past years, individual project funding will also be limited to the inflationary growth rate for 2026.

Pace contracts directly with private providers for the operation of 15 additional traditional dial-a-ride projects. The communities served by these programs collaborate with Pace to provide financial support for these projects through local share agreements.

### County-led Coordinated Service

Pace has been nationally recognized for its effort to coordinate local Demand Response services into countywide programs. These expand transportation access for thousands of riders who rely on these services. Pace works closely with elected officials, local government staff, and human service/advocate agencies to coordinate funding and delivery of paratransit services through its Township Riders Initiative Program (TRIP) in suburban Cook, Ride DuPage, Ride in Kane, Ride Lake, MCRide in McHenry, and Access Will Ride. These programs grew out of local dial-a-ride service and have now been coordinated and standardized to provide service across local boundaries. These programs are designed by coordinating councils to meet local needs and led by county departments.

### On Demand Service

Pace's On Demand reservation-based service offers low-cost rides in 11 different suburban zones. Having improved and expanded over its 15 years, the service is designed to supplement fixed route service by providing the first and/or last mile to connect people to routes in the area. In addition to phone reservations, customers may book their reservation online. Fares for this service are the same as the local fixed route service and vehicles are equipped with the Ventra® fare system. The 2026 budget allows for significant expansion of On Demand services throughout the six-county region.

Below are the 11 On Demand services operated by Pace:

- Batavia
- Naperville/Aurora
- Round Lake Area
- Southeast Aurora
- St. Charles/Geneva
- West Joliet
- Vernon Hills/Mundelein
- Arlington Heights/Rolling Meadows
- Wheaton/Winfield
- Hoffman Estates
- Lansing Area

### Community Transit Program

The Community Transit program allows local municipalities to provide flexible public transportation in their communities using a Pace-owned vehicle. Pace expects the program to have 96 vehicles in service for 2026, a 13.7% increase from 2025 estimated levels.

The budget shown in Table 12 will provide \$33.656 million for all Demand Response service expenses throughout the six-county region.



### 2026 Goals

Pace's Demand Response efforts for 2026 include expanding On Demand service throughout the six-county region.

**Table 12. Budget Summary - Demand Response Services (000s)**

	<b>2024 Actual</b>	<b>2025 Estimate</b>	<b>2026 Budget</b>
<b>Revenue</b>			
Municipal Provided Service	\$3,202	\$2,676	\$2,853
Contractor Provided Service	724	351	388
On Demand Service	82	104	283
County Coordinated Service	9,299	6,416	6,698
Subsidized Service	84	1,399	2,259
Community Transit	113	114	114
<b>Total Revenue</b>	<b>\$13,504</b>	<b>\$11,060</b>	<b>\$12,595</b>
<b>Expenses</b>			
Municipal Provided Service	\$3,629	\$3,452	\$3,644
Contractor Provided Service	4,412	5,292	4,619
On Demand Service	2,714	2,995	9,524
County Coordinated Service	12,509	13,003	13,585
Subsidized Service	314	1,399	2,259
Community Transit	38	25	25
<b>Total Expenses</b>	<b>\$23,616</b>	<b>\$26,166</b>	<b>\$33,656</b>
<b>Recovery Ratio</b>			
Municipal Provided Service	88.23%	77.52%	78.29%
Contractor Provided Service	16.41%	6.63%	8.40%
On Demand Service	3.02%	3.47%	2.97%
County Coordinated Service	74.34%	49.34%	49.30%
Subsidized Service	26.75%	100.00%	100.00%
Community Transit	297.37%	456.00%	456.00%
<b>Total Recovery Ratio</b>	<b>57.18%</b>	<b>42.27%</b>	<b>37.42%</b>
<b>Ridership</b>			
Municipal Provided Service	104	97	99
Contractor Provided Service	51	43	46
On Demand Service	83	85	220
County Coordinated Service	272	278	281
Subsidized Service	18	87	136
Community Transit	150	148	148
<b>Total Ridership</b>	<b>678</b>	<b>738</b>	<b>930</b>

## 2026 Vanpool Services Budget

The Vanpool program is a commuting option which provides passenger vans to small groups of four to 14 people, allowing them to commute to and from work together. The Vanpool program generates the highest return on investment of Pace's services.

Pace's Vanpool program is comprised of three elements: Vanpool Incentive Program (VIP), Shuttle program, and Advantage program. As part of the VIP program, Pace also offers VanGo service—a self-serve travel option providing a connection between designated bus or train stations and the rider's place of work for a round trip fare of \$5.00. The Vanpool program budget is summarized in Table 13.

Pace estimates to have 329 vans in service by year-end 2026 providing 0.574 million rides. Revenue is forecasted to increase in 2026 due to increased participation in the VIP and Advantage programs. Expenses are projected to grow 7.73% over 2025 levels primarily due to ridership.

### *Vanpool Incentive Program*

VIP is a traditional commuter vanpool program and is the core element of Pace's vanpool services. VIP is projected to reach a ridership level of 0.232 million rides with 115 vans in service by the end of 2026. The 2026 budgeted revenue is anticipated to increase from 2025 revenue due

to increased ridership. Total expenses are projected to grow 15.02%.

### *Shuttle Program*

The Shuttle program provides vans to suburban employers to shuttle employees to and from nearby transit connections. It also provides vans to qualifying not-for-profit human services organizations to shuttle program participants to and from transit connections and worksites. Pace expects to have 28 shuttle vans in service at the end of 2026. Program revenue is expected to increase 7.69% due to increased ridership.

### *Advantage Program*

The Advantage program provides a transit alternative to individuals who commute on a regular basis to worksites or rehabilitative workshops supported by qualifying not-for-profit human services organizations. It is an alternative for those unable to use the regular ADA Paratransit service or those living outside the 3/4 mile ADA service area.

Advantage program revenue is expected to grow 2.20% in 2026 due to projected increased ridership. Pace estimates to have 186 vans in service at year-end to accommodate the increased ridership. Program expenses are expected to grow 3.99% in 2026.

### 2026 Goals

Pace's efforts for Vanpool Services in 2026 include providing 0.574 million passenger trips.



**Table 13. Vanpool Services Budget (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Revenue</b>			
VIP	\$391	\$395	\$446
Shuttle	78	75	81
Advantage	522	524	535
<b>Total Revenue</b>	<b>\$991</b>	<b>\$994</b>	<b>\$1,062</b>
<b>Expenses</b>			
VIP	\$511	\$550	\$632
Shuttle	129	140	154
Advantage	929	1,152	1,198
<b>Total Expenses</b>	<b>\$1,569</b>	<b>\$1,842</b>	<b>\$1,984</b>
<b>Funding Requirement</b>	<b>\$578</b>	<b>\$848</b>	<b>\$922</b>
<b>Recovery Ratio</b>			
VIP	76.55%	71.94%	77.57%
Shuttle	60.62%	53.53%	57.72%
Advantage	56.17%	45.44%	49.12%
<b>Total Recovery Ratio</b>	<b>63.17%</b>	<b>53.96%</b>	<b>58.85%</b>
<b>Ridership</b>			
VIP	212	206	232
Shuttle	33	41	44
Advantage	289	291	298
<b>Total Ridership</b>	<b>534</b>	<b>538</b>	<b>574</b>
<b>Vehicle Miles</b>			
VIP	1,922	1,904	2,146
Shuttle	269	362	390
Advantage	1,281	1,265	1,293
<b>Total Vehicle Miles</b>	<b>3,472</b>	<b>3,531</b>	<b>3,829</b>
<b>Vehicles in Service (year-end) - VIP*</b>	<b>98</b>	<b>102</b>	<b>115</b>
<b>Vehicles in Service (year-end) - Shuttle*</b>	<b>25</b>	<b>26</b>	<b>28</b>
<b>Vehicles in Service (year-end) - Advantage*</b>	<b>182</b>	<b>182</b>	<b>186</b>
<b>Total Vehicles in Service (year-end)*</b>	<b>305</b>	<b>310</b>	<b>329</b>

\*Vehicles in Service not rounded to nearest thousand



## 2026 Centralized Support Budget

Pace centrally manages numerous functions and expenditures on behalf of the entire agency, including expenses for fuel, liability insurance, healthcare, and the Ventra® fare system. The centralized support budget is comprised of four activity areas: Operations, Maintenance, Non-Vehicle Maintenance, and Administration. The centralized support budget will reach \$100.029 million in 2026.

In 2025, Pace's centralized support expense is estimated to end the year up 37.61% from 2024 levels. Significant areas of growth include vehicle maintenance and repair, liability insurance, and employee healthcare expenses.

The 2026 centralized support budget will grow 10.41% over estimated 2025 levels, mostly due to growth in labor and fringe, fuel, liability insurance and health insurance expenses.

The Operations component of the 2026 Centralized Support budget is comprised of 44.0 positions that provide support to all operations areas of Pace. Total operations expenses will increase 8.94% from 2025 levels mostly due to fuel and decreased vacancies. Total fuel costs are projected to grow 10.00% in 2026 due to increased service. These costs include diesel, gasoline, CNG and electricity for vehicle charging.

The price per gallon for diesel and gasoline are each forecasted to grow by 2.49% in 2026 while the price per diesel gallon equivalent (DGE) for CNG fuel is expected to grow 7.4%. Fuel consumption measured in gallons/DGEs will reach 6.6 million, an increase of 8.63% from 2025 estimated consumption.

In 2026, Pace expects to add 23 fixed route battery electric buses (BEBs) to the one fixed route electric bus and one

paratransit electric bus operating in 2025. Consumption for BEBs is measured in kilowatt hours (kWh) of charging. The price per kWh of charging in 2026 is expected to increase 13.93% from 2025 levels. Due to the increase in the size of the BEB fleet, consumption will reach 1.8 million kWh of charging in 2026.

The Maintenance component of Centralized Support is comprised of 32.0 positions tasked with overseeing fleet maintenance and vehicle procurement. Total maintenance expense is projected to increase 2.23% from 2025 levels due to labor and fringe expense growth.

The Non-Vehicle Maintenance component is comprised of 16.0 positions which provide support to all facility and passenger shelter maintenance functions. This area is expected to grow 7.42% in 2026 due to outside service expenses.

The General Administration component of the central support budget is comprised of various expenses including marketing, Ventra® fare system, liability insurance, and healthcare. This area is expected to increase 12.33% in 2026, mostly associated with increased liability and employee healthcare costs.

### 2026 Goals

*Pace's 2026 efforts include continued utilization of joint procurements in order to maximize cost savings.*

**Table 14. Centralized Support Budget (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Operations</b>	\$7,190	\$7,891	\$8,454
Fuel	12,484	13,365	14,702
<b>Maintenance</b>	\$5,618	\$7,474	\$7,641
<b>Non-Vehicle Maintenance</b>	\$2,809	\$5,302	\$5,696
<b>General Administration</b>	\$9,070	\$10,479	\$11,308
Liability Insurance	2,522	12,744	15,621
Healthcare	26,140	33,339	36,607
<b>Total</b>	<b>\$65,833</b>	<b>\$90,595</b>	<b>\$100,029</b>
<b>Full-Time Equivalents (FTEs)*</b>	<b>83.0</b>	<b>88.0</b>	<b>92.0</b>

\*FTEs not rounded to the nearest thousand

2026 Administrative Budget

The 2026 administrative budget is estimated to reach \$68.060 million. Pace will use 192.5 positions to manage the agency’s administrative responsibilities including accounting, financial and capital assistance programs, marketing, information systems, legal services, procurement, and strategic planning.

The following table summarizes the two major activity areas of the administrative budget: Non-Vehicle Maintenance, which represents the operating costs for the headquarters facility, and the General Administration category. Administration costs include labor, parts and supplies, utilities, and other expenses.

In addition to a concerted effort to fill vacant positions, the largest contributor to 2025 year-over-year expense growth is investment in improved IT software and services.

The 2026 administrative budget will increase 19.35% over 2025 estimated levels. The most significant portion of this increase is due to a one-time expense for a planned upgrade to the Ventra® system. This budget will continue to support the modernization of Pace’s enterprise resource planning software, as well as ongoing construction engineering and oversight services for the largest capital program in Pace’s history.

More information on staffing levels, as well as an organization chart, is provided in Appendix A.



2026 Goals

Pace's administrative budget goals for 2026 include continued efforts to improve systems and infrastructure.

Table 15. Administrative Budget (000s)			
	2024 Actual	2025 Estimate	2026 Budget
Non-Vehicle Maintenance	\$359	\$366	\$322
General Administration	\$41,774	\$54,426	\$65,446
Parts/Supplies	164	177	188
Utilities	1,857	2,054	2,104
Bond Interest	42	0	0
Total Expenses	\$44,196	\$57,023	\$68,060
Full Time Equivalents (FTEs)*	169.5	185.5	192.5

\*FTEs not rounded to the nearest thousand

## 2026 Suburban Service Budget & Two-Year Financial Plan

The RTA Act requires that the Service Boards submit a budget and two-year financial plan which shows a balance between the funding estimates provided by the RTA and the anticipated costs of providing services. Pace's plan for 2026–2028 achieves this balance. The assumptions and highlights for the three years in review are provided in this section.

The 2026 budget assumes ridership will grow 10.1% from 2025 estimated levels, reflecting planned enhancements of fixed route and Demand Response services and continued Vanpool program growth. Fixed route ridership is expected to increase 9.5% and Demand Response is expected to grow 26.0%, while Vanpool participation is expected to increase 6.7%. Both fixed route and Vanpool ridership is expected to stay flat in 2027 and 2028, while Demand Response is expected to increase 1.8% in 2027 and 2.0% in 2028.

After growing 10.1% from 2024 to 2025, Pace's total RTA sales tax allocation is forecasted to increase 4.1% in 2026 before increasing 22.6% in 2027, and 6.5% in 2028. The 2026 increase reflects the allocation of \$18.874 million of SB2111 funding to Pace in addition to statutory Sales Tax I and Sales Tax/PTF II allocations. Federal discretionary Congestion Mitigation/Air Quality (CMAQ) funding for

Pulse Dempster service is programmed for 2025 and 2026, while Enhanced Mobility (Section 5310) funding for call center operations is programmed for 2026.

The 2026 budget is balanced to the funding levels provided by the RTA through the use of positive budget variance. The 2027 and 2028 RTA funding marks for SB2111 funding have mitigated the need to use positive budget variance to support operations in 2027 and 2028.

In recognition of the effect that the coronavirus pandemic has had on ridership, and therefore system-generated revenue, the RTA Act was amended to waive the legislative regional recovery ratio requirement for RTA, CTA, Metra, and Pace through 2025. This waiver was extended through 2026 by SB2111, which also lowered the regional recovery ratio requirement to 25%. As such, RTA has set Pace's recovery ratio requirement at 17.0% for 2025 and 12.0% for 2026 and later. Pace will use credits authorized by the RTA to meet the 2025 recovery ratio requirement. No credits have been applied for 2026 and later.

A discussion of the assumptions used in developing the multi-year plan and a review of the highlights of the plan are provided on the following pages, along with Table 18, showing the full details of the plan.

**Table 16. Baseline Economic Assumptions**

	2025	2026	2027	2028
Change in Demand (Based on Total Ridership) <sup>(1)</sup>	1.1%	10.1%	0.1%	0.1%
T-Bill Rates (90 Day) <sup>(2)</sup>	5.0%	3.8%	3.3%	3.2%
CPI-U (National) <sup>(3)</sup>	3.3%	2.5%	2.2%	2.2%
Ultra-Low Sulfur Diesel Fuel (Price Growth)	6.9%	2.5%	2.2%	2.2%
Sales Tax <sup>(4)</sup>	10.1%	4.1%	22.6%	6.5%

<sup>(1)</sup> Assumptions for demand, as measured by estimates for total ridership, are generated by Pace's planning staff.

Demand estimates are used to forecast fare revenue.

<sup>(2)</sup> T-Bill rates are considered when forecasting investment income.

<sup>(3)</sup> While numerous sources are referenced for CPI, the Congressional Budget Office (CBO) is the source for most CPI data.

<sup>(4)</sup> Reflects RTA sales tax and Public Transportation Fund match estimates for Pace for the 2026 budget and two-year plan cycle.

## Assumptions

Numerous factors must be considered when developing an annual budget and multi-year plan. Demand must be identified and evaluated for both the short and long term. Demand is measured by estimating ridership to forecast farebox revenue. Economic assumptions related to the costs of providing transit services must be identified. Estimates of inflation, as measured by the consumer price index (CPI), and estimates for fuel are of significant importance. The outlook for public funding growth, as identified by the RTA, is extremely important as it provides between 80%-85% of annual funding for operations. A list of baseline economic assumptions used to develop the budget and two-year plan is summarized in Table 16. The following list of key sources were also referenced for information/

outlooks on the industry/economy: the Congressional Budget Office (CBO)—the primary source used for inflation indices; The Kiplinger Letter—referenced for general economic information including outlooks for inflation, interest rates, etc.; the U.S. Bureau of Labor Statistics (BLS)—a source for key indicators including the Producer Price Index (PPI), utilities, inflation, etc.; and the U.S. Energy Information Administration (EIA)—a source for energy price growth for fuel.

The outcome of applying the assumptions identified in Table 16 to known or anticipated conditions is reflected in Table 17. The assumptions reflect the additional funding expected to be available as a result of SB2111.

**Table 17. Multi-Year Category Growth**

	2026	2027	2028
Fare Revenue	8.7%	0.3%	0.3%
Total Revenue	3.2%	(2.7%)	(1.3%)
Labor/Fringes	9.5%	3.8%	5.1%
Healthcare	9.8%	8.0%	8.2%
Parts/Supplies	6.1%	6.4%	6.4%
Purchased Transportation	25.5%	4.9%	5.8%
Utilities	4.5%	5.4%	5.5%
Insurance/Claims	22.6%	6.5%	6.5%
Fuel Cost	10.1%	4.4%	2.7%
Fuel Cost - Liquid Fuels*	\$14.391 mil	\$15.032 mil	\$15.434 mil
Consumption in Gallons - Liquid Fuels	6.567 mil	6.670 mil	6.680 mil
Price per Gallon*	\$2.19	\$2.25	\$2.31
Electric Vehicle Charging Cost	\$0.310 mil	\$0.327 mil	\$0.345 mil
Consumption in kWh of Charging	1.761 mil	1.761 mil	1.761 mil
Price per kWh of Charging	\$0.18	\$0.19	\$0.20

\*Fuel Cost and Price per Gallon forecasts reflect use of diesel, gasoline, and compressed natural gas for fixed route, demand response, and vanpool services



## Highlights – 2026 Budget & Two-Year Financial Plan

Pace's 2026 Budget & Two-Year Financial Plan presented in Table 18 is balanced using RTA Sales Tax funding, federal discretionary fund programs, and positive budget variance (PBV). The 2026–2028 public funding budgets reflect additional funding expected to be available as a result of SB2111.

Though additional farebox revenue is expected from 2026 planned service enhancements, 2026–2028 operating revenue is anticipated to fall at an annual compound rate of 2.0%. While most revenue categories are expected to grow, decreases to interest income will offset expected growth due to declining interest rates and the use of PBV to fund operations.

Expenses are expected to decrease at an annual compound rate of 3.9% over the same period. Expense growth in 2026 is mostly associated with additional service, while 2027 and 2028 increases are due to labor/fringe and inflationary expense growth and do not include any new efforts.

Total public funding, including the use of PBV in 2026, grows at an annual compound rate of 4.8% between 2026 and 2028.





## Suburban Service Budget & Two-Year Financial Plan

**Table 18. 2026 Suburban Service Budget and Two-Year Financial Plan (000s)**

	2024 Actual	2025 Estimate	2026 Budget	2027 Plan	2028 Plan
<b>Operating Revenue</b>					
Farebox Revenue	\$21,717	\$21,826	\$23,719	\$23,779	\$23,841
Reduced Fare Reimbursement	1,460	1,760	1,767	1,767	1,767
Advertising	775	843	930	1,025	1,125
Local Share/Other Revenue	30,643	24,743	24,349	22,799	22,011
<b>Total Revenue</b>	<b>\$54,595</b>	<b>\$49,172</b>	<b>\$50,765</b>	<b>\$49,370</b>	<b>\$48,744</b>
<b>Operating Expenses</b>					
Labor/Fringes	\$159,853	\$178,332	\$195,353	\$202,723	\$212,965
Healthcare	26,140	33,339	36,607	39,536	42,778
Parts/Supplies	14,766	17,152	18,199	19,361	20,607
Purchased Transportation	28,064	30,315	38,041	39,900	42,198
Fuel	13,122	14,029	15,439	16,113	16,549
Utilities	4,917	4,981	5,205	5,486	5,785
Insurance	2,522	12,744	15,621	16,630	17,715
Other*	33,644	50,723	61,282	55,335	58,223
Regional ADA Support Credit	(8,078)	(11,662)	(13,335)	(14,002)	(14,702)
<b>Total Expenses</b>	<b>\$274,950</b>	<b>\$329,953</b>	<b>\$372,412</b>	<b>\$381,082</b>	<b>\$402,118</b>
<b>Funding Requirement</b>	<b>\$220,355</b>	<b>\$280,781</b>	<b>\$321,647</b>	<b>\$331,712</b>	<b>\$353,374</b>
<b>Public Funding</b>					
Sales Tax (Part I)	\$132,006	\$146,099	\$150,934	\$154,707	\$157,802
Sales Tax (Part II)	21,486	23,883	23,375	22,960	22,315
PTF (Part I)	6,354	6,958	0	7,522	7,672
PTF (Part II)	25,986	28,783	30,036	30,853	31,484
Suburban Community Mobility Fund (SCMF)	34,779	35,850	39,767	40,761	41,576
South Suburban Job Access Fund	7,500	7,500	7,500	7,500	7,500
RTA Sales Tax (Part I)	7,512	10,657	0	14,397	14,755
RTA Discretionary/SB2111 Funds	0	0	18,874	53,012	70,270
Non-federal Discretionary Fund Programs	334	0	0	0	0
Federal Discretionary Fund Programs	8,724	5,916	5,436	0	0
Positive Budget Variance	0	15,135	45,725	0	0
<b>Total Public Funding</b>	<b>\$244,681</b>	<b>\$280,781</b>	<b>\$321,647</b>	<b>\$331,712</b>	<b>\$353,374</b>
<b>Net Funding Available</b>	<b>\$24,326</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio**</b>	<b>26.31%</b>	<b>19.99%</b>	<b>13.63%</b>	<b>12.96%</b>	<b>12.12%</b>

\*Other includes Debt Service through 2024

\*\*2024 Actual and 2025 Estimated Recovery Ratio includes credits authorized by the RTA. Credits no longer applied for 2026 and later.

## 2026 Suburban Service Projected Cash Flow

The following table provides a monthly estimate of Pace's revenue, expense, and cash position for Suburban Service operations. Cash flow estimates for Suburban Service public funding are included in total revenue and are based on information provided by the RTA.

The projected cash flow for Pace's Suburban Service operations shows sufficient funds for Pace to maintain operations during 2026.



**Table 19. 2026 Suburban Service Projected Cash Flow Summary (000s)**

Month	Beginning Balance	Revenue	Expense	Net Results	Ending Balance
January	\$275,992	\$23,289	\$33,051	(\$9,762)	\$266,230
February	266,230	23,140	30,999	(7,858)	258,372
March	258,372	25,468	34,681	(9,213)	249,159
April	249,159	25,574	33,051	(7,477)	241,682
May	241,682	26,265	30,999	(4,734)	236,948
June	236,948	26,977	30,999	(4,022)	232,926
July	232,926	25,689	33,051	(7,362)	225,564
August	225,564	26,033	30,999	(4,965)	220,599
September	220,599	26,396	30,999	(4,603)	215,996
October	215,996	29,701	33,051	(3,350)	212,646
November	212,646	28,353	30,999	(2,645)	210,001
December	210,001	39,802	30,999	8,803	218,804

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## 2026 Regional ADA Paratransit Operating Budget

In 2006, Pace Suburban Bus took over the existing Taxi Access Program (TAP) subsidized service when Chicago ADA Paratransit service was transferred from CTA. The Regional ADA Rideshare Access Program (RAP) pilot began in March 2022 in DuPage County to provide equitable service to RTA-certified riders in the collar counties and suburban Cook. This program was expanded to the entire ADA service area in April 2024. Both TAP and RAP provide a \$30 subsidy for up to 8 taxi rides per day for RTA-certified riders after a two-dollar fare per ride.

The RAP program has experienced extraordinary growth since its regionwide expansion, far outpacing 2025 budgeted levels. On June 12, 2025, the RTA Board of Directors approved an ADA Action Plan requiring an increase in the TAP and RAP fares from \$2.00 to \$3.25 per trip and a cap of 30 rides per month rather than 8 per day. Pace implemented these required changes in October 2025, but 2025 estimated funding required is expected to end the year \$45.084 million above the original 2025 budget.

On August 21, 2025, the RTA Board of Directors approved an ordinance authorizing an amendment to 2025 Regional

ADA Paratransit funding to add \$42.326 million in funding from three sources—the ADA Paratransit Reserve, discretionary Sales Tax I, and the Innovation, Coordination, and Enhancement fund—to cover the projected \$45.084 million deficit. The remaining shortfall of \$2.759 million was transferred from Pace Suburban Service’s Suburban Community Mobility Fund on a one-time, non-precedential basis.<sup>(1)</sup>

On November 6, 2025, the RTA Board of Directors updated the 2026 Regional ADA Paratransit Service funding marks to reflect the additional funding expected after the Illinois General Assembly passed Senate Bill (SB) 2111. The level of funding provided is expected to cover a full year of subsidized TAP and RAP service and federally required ADA Paratransit service without an additional fare increase.

Operating expenses are budgeted at \$361.3 million in 2026, up 9.4% from 2025 estimated levels. Revenue is expected to increase 30.0%, reflecting ridership that is expected to increase 10.2% and a full-year impact of \$3.25 fares for TAP and RAP service.

**Table 20. Regional ADA Paratransit Budget Summary (000s)**

	2024 Actual	2025 Estimate	2026 Budget
<b>Total Operating Expenses</b>	<b>\$277,528</b>	<b>\$330,098</b>	<b>\$361,263</b>
Less: Total Operating Revenue	16,054	18,813	24,451
<b>Funding Requirement</b>	<b>\$261,474</b>	<b>\$311,285</b>	<b>\$336,812</b>
Less:			
Sales Tax & PTF (Part II)	\$226,865	\$256,180	\$268,564
State Funds	9,108	10,020	11,500
ADA Paratransit Reserve Fund	25,501	8,260	0
RTA Sales Tax (Part I)	0	17,467	0
Innovation, Coordination, and Enhancement Fund	0	16,598	0
Suburban Community Mobility Fund	0	2,760	0
RTA Discretionary/SB2111 Funds	0	0	56,748
<b>Net Funding Available</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio</b>	<b>10.95%</b>	<b>11.21%</b>	<b>6.77%</b>

<sup>(1)</sup> Pace expressly reserves all rights and no action taken in regard to the 2025 ADA Paratransit budget may be construed as a waiver of any rights or remedies with regard to the 2026 ADA Paratransit budget or any past, present, or future budgets or funding decisions or actions.

## Regional ADA Paratransit Sources of Funds

The Regional ADA Paratransit Budget is funded from two sources—public funds and revenue generated from operations.

### Public Funding

In January 2008, the RTA Act dedicated a new source of funding for the Regional ADA Paratransit Program. Section 2.01(d) required that the RTA establish an ADA Paratransit Fund and each year's amounts, as specified in Section 4.03.3, were to be deposited into the fund including any additional funds provided by the state for this purpose. Any amounts deposited into the fund are for the exclusive purpose of funding ADA Paratransit services. The RTA can carry over positive fund balances, should they exist, from one year to the next and use those proceeds to fund future year ADA Paratransit services.

In 2011, the RTA Act was amended to increase the ADA Fund level to \$115 million for 2012. The Act also states that for each year thereafter, an amount equal to the final budget funding for ADA Paratransit service for the current

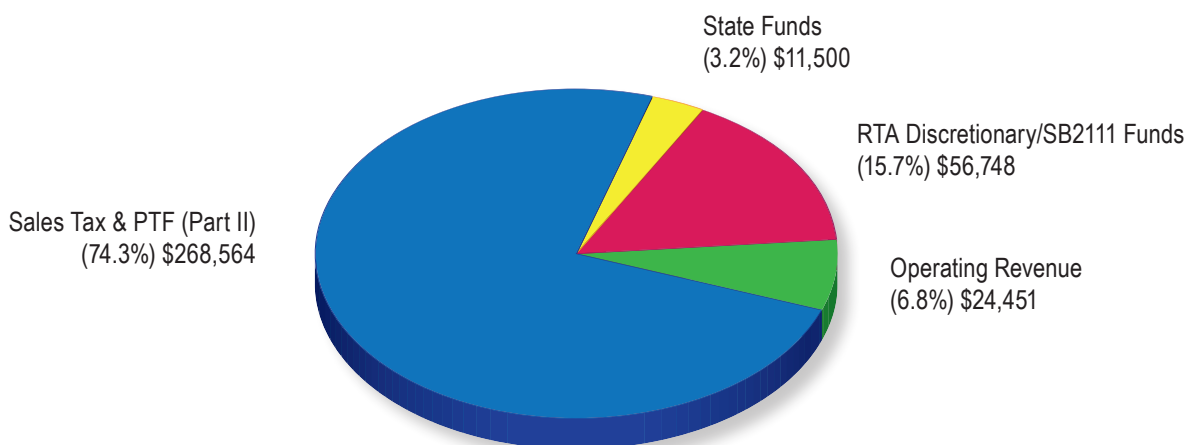
year shall be provided. Based on this amendment, the RTA has established the amount of \$280.064 million for 2026, which includes \$268.564 million generated from Part II Sales Tax and Public Transportation Fund match and \$11.500 million from a state grant for ADA Paratransit Services.

On November 6, 2025, the RTA Board of Directors updated the 2026 Regional ADA Paratransit Service funding marks to reflect additional funding expected after the Illinois General Assembly passed Senate Bill (SB) 2111. The updated marks include \$56.748 million in additional funding to cover a full year of subsidized TAP and RAP service.

### Operating Revenue

The second source of funding available for ADA Paratransit service comes from operations. Operating revenue is generated largely from passenger fares but also includes investment income and reimbursement from RTA for the cost of providing trips for RTA's ADA Certification process. In 2026, operating revenue is budgeted at \$24.451 million.

### 2026 ADA Sources of Funds (000s) - Total \$361,263





## Regional ADA Paratransit Uses of Funds

All funds received in 2026 will be used to provide and support ADA Paratransit services. Service delivery in Chicago and the suburban counties is contracted to private service operators. Pace also offers two subsidized services to RTA-certified ADA riders—the Taxi Access Program (TAP) which provides subsidized taxi service in the City of Chicago and the Rideshare Access Program (RAP) which provides similar subsidized service using transportation network companies (TNCs) in both the City of Chicago and suburban counties.

In addition to the city and suburban cost elements, there are regional support costs which represent the indirect overhead costs of supporting the Regional ADA Paratransit program overseen by Pace. Details on the Chicago and suburban ADA services and subsidized services are included in Table 21.

### Chicago ADA Services

For 2026, Pace expects to spend \$214.635 million for federally required ADA service in Chicago. Costs for contracted service in Chicago will account for 91.7% of total budgeted Chicago ADA Service expense. The balance includes costs for insurance, administration, fuel, and costs related to trips for certifying ADA-eligible participants.

### Suburban ADA Services

For 2026, Pace expects to spend \$43.536 million for federally required ADA service in suburban Cook and collar counties. Costs for contracted service in the suburbs will account for 91.3% of total budgeted Suburban ADA Service expenses. Similar to the Chicago service, the balance includes costs for insurance, administration, fuel, and costs related to trips for certifying ADA-eligible participants.

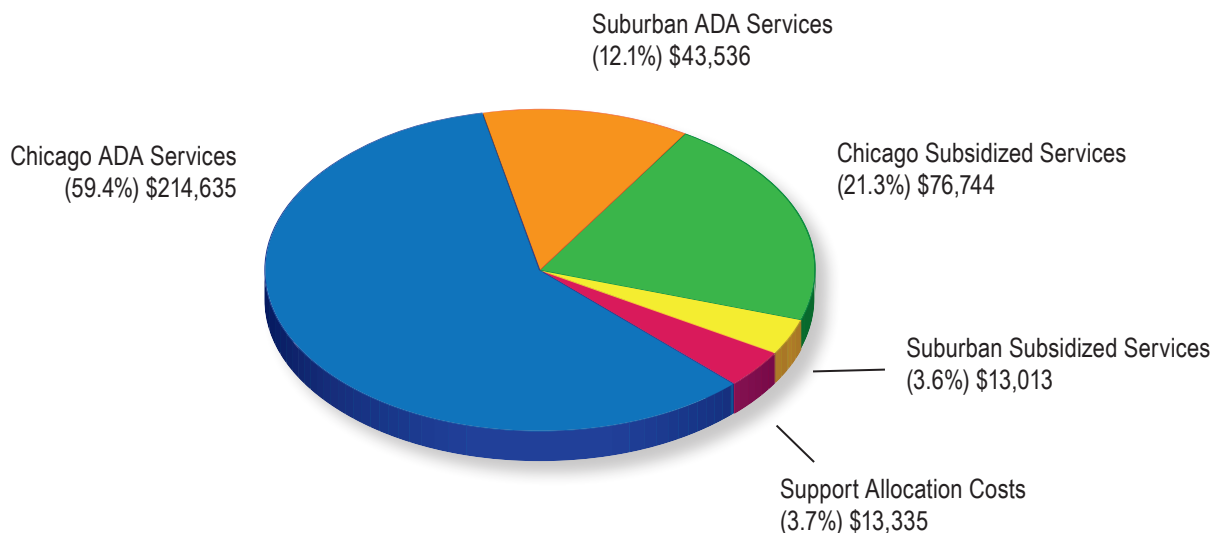
### Subsidized Services

Subsidized taxi service is offered to RTA-certified ADA riders in the City of Chicago via TAP and subsidized TNC service is offered to RTA-certified ADA riders in both the City of Chicago and suburban counties via RAP. These services are expected to cost of \$89.757 million in 2026.

### Support Allocation Costs

There are administrative support costs that Pace incurs on behalf of managing and operating the ADA program. The 2026 budget includes \$13.335 million in overhead support costs that will be allocated to the Regional ADA program.

## 2026 ADA Uses of Funds (000s) - Total \$361,263



## 2026 Regional ADA Paratransit Program Budget - Chicago/Suburban Detail

Pace's 2025 estimate and 2026 budget for revenue, expense, and funding requirements for the Regional ADA Paratransit program are presented in the table below, separated by Chicago and Suburban components. The 2026 program is balanced to both the funding and recovery marks set by the RTA.

An amendment to the RTA Act that waived the legislative ADA recovery ratio requirement expired at the end of

2025. Senate Bill 2111, passed by the Illinois General Assembly on October 31, 2025, extended the recovery ratio waiver through the end of 2026 but also lowered the Regional ADA Paratransit Service recovery ratio requirement to 5.0%. As such, RTA has set the Regional ADA recovery ratio requirement at 7.5% for 2025 and 5.0% for 2026 and later. Pace will use credits authorized by the RTA to meet the goal in 2025.

**Table 21. 2026 Regional ADA Paratransit Program Budget - Chicago/Suburban Detail (000s)**

	2025 Estimate			2026 Budget			2025–2026
	Chicago	Suburban	Region Total	Chicago	Suburban	Region Total	Net Change
<b>Revenue</b>							
Fares—Contract	\$6,837	\$2,058	\$8,895	\$7,037	\$2,094	\$9,131	\$236
Fares—Subsidized	6,267	1,098	7,365	10,539	2,076	12,615	5,250
RTA Certification	1,554	418	1,972	1,713	447	2,160	188
Investment Income/Other			581			545	(36)
<b>Total Revenue</b>	<b>\$14,658</b>	<b>\$3,574</b>	<b>\$18,813</b>	<b>\$19,289</b>	<b>\$4,617</b>	<b>\$24,451</b>	<b>\$5,638</b>
<b>Expenses</b>							
Contract Services	\$183,813	\$37,812	\$221,625	\$196,809	\$39,752	\$236,561	\$14,936
Subsidized Services	66,085	9,792	75,877	76,744	13,013	89,757	13,880
Fuel	5,410	2,164	7,574	5,678	2,255	7,933	359
Insurance	343	0	343	70	0	70	(273)
Administration	10,117	1,092	11,208	10,507	1,118	11,625	417
RTA Certification	1,425	384	1,809	1,571	411	1,982	173
ADA Support Allocation			11,662			13,335	1,673
<b>Total Expenses</b>	<b>\$267,193</b>	<b>\$51,244</b>	<b>\$330,098</b>	<b>\$291,379</b>	<b>\$56,549</b>	<b>\$361,263</b>	<b>\$31,165</b>
<b>Funding Requirement</b>	<b>\$252,535</b>	<b>\$47,670</b>	<b>\$311,285</b>	<b>\$272,090</b>	<b>\$51,932</b>	<b>\$336,812</b>	<b>\$25,527</b>
<b>Public Funding</b>			<b>\$311,285</b>			<b>\$336,812</b>	<b>\$25,527</b>
<b>Net Funding Available</b>			<b>\$0</b>			<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio</b>			<b>11.21%</b>			<b>6.77%</b>	
<b>Ridership</b>							
Total Ridership—Contract	2,467	710	3,177	2,539	722	3,261	84
Total Ridership—Subsidized	2,811	492	3,303	3,243	639	3,882	579
<b>Ridership—Total</b>	<b>5,278</b>	<b>1,202</b>	<b>6,480</b>	<b>5,782</b>	<b>1,361</b>	<b>7,143</b>	<b>663</b>

## 2026 Regional ADA Paratransit Budget & Two-Year Financial Plan

The 2026–2028 Regional ADA Paratransit budgets are balanced to the funding marks approved by the RTA Board of Directors on November 6, 2025. The 2026 RTA marks fully fund federally required ADA Paratransit Services and TAP and RAP subsidized services.

The 2026 budget assumes overall ridership will increase 10.2% from 2025 levels. Contract service ridership is expected to increase 2.7% and subsidized TAP and RAP ridership is expected to increase 17.5%. Total ridership for all services is expected to grow 2.0% in 2027 and 2028.

An amendment to the RTA Act that waived the legislative ADA recovery ratio requirement expired at the end of 2025. Senate Bill 2111, passed by the Illinois General Assembly on October 31, 2025, extended the recovery ratio waiver through the end of 2026 but also lowered the required ADA recovery ratio to 5.0%. As such, RTA has set the Regional ADA Paratransit Service recovery ratio requirement at 5.0% for 2026 and later.

### Assumptions

The economic assumptions used in this plan are the same as those used for Pace's Suburban Service budget and are described in detail in Tables 16 and 17. The assumptions for expense growth items unique to this ADA Paratransit Financial Plan, specifically service-related elements such as contractor costs, demand and fuel, are shown in the table below.

### Highlights – 2026 Budget and Two-Year Financial Plan

The budget and two out years presented in Table 23 show that the ADA program is balanced to approved funding marks. In line with projected ridership growth, 2026–2028 operating revenue is expected to increase at an annual compound rate of 2.5%. Operating expenses are expected to grow at a compound rate of 5.2% over the same period due to ridership, inflation, and contractual growth. Total funding for 2026–2028 Regional ADA Paratransit service is expected to grow at a compound rate of 5.4% over the same three years.

**Table 22. Expense Growth Factors**

	2026	2027	2028
Chicago Contract Services Cost	7.1%	5.6%	5.9%
Suburban Contract Services Cost	5.1%	6.2%	7.1%
Subsidized Services Cost	18.3%	3.7%	3.7%
Chicago Contract Services Demand	2.9%	2.0%	2.0%
Suburban Contract Services Demand	1.7%	2.0%	2.0%
Subsidized Services Demand	10.2%	2.0%	2.0%
Fuel Costs - ADA	\$7.933 mil	\$8.273 mil	\$8.626 mil
Number of Gallons - ADA	2.785 mil	2.842 mil	2.899 mil
Price per Gallon - ADA	\$2.85	\$2.91	\$2.97

## 2026 Regional ADA Paratransit Budget & Two-Year Financial Plan

**Table 23. 2026 Regional ADA Paratransit Budget and Two-Year Financial Plan (000s)**

	2024 Actual	2025 Estimate	2026 Budget	2027 Plan	2028 Plan
<b>Operating Revenue</b>					
Fares	\$12,277	\$16,260	\$21,746	\$22,180	\$22,624
Certification Revenue	1,873	1,972	2,160	2,368	2,522
ADA Investment Income	1,904	581	545	525	521
<b>Total Revenue</b>	<b>\$16,054</b>	<b>\$18,813</b>	<b>\$24,451</b>	<b>\$25,073</b>	<b>\$25,667</b>
<b>Operating Expenses</b>					
Labor/Fringes	\$4,983	\$5,769	\$6,195	\$6,334	\$6,670
Health Care	807	1,310	1,434	1,555	1,687
Administrative Expense	2,583	4,129	3,996	4,085	4,176
Fuel	7,241	7,574	7,933	8,273	8,626
Insurance/Claims	996	343	70	70	70
RTA Certification Trips	1,543	1,809	1,982	2,173	2,314
Suburban ADA Contract Services	36,752	37,812	39,752	42,208	45,200
Chicago ADA Contract Services	174,929	183,813	196,809	207,864	220,129
Subsidized Services	39,616	75,877	89,757	93,083	96,555
Regional ADA Support Allocation	8,078	11,662	13,335	14,002	14,702
<b>Total Expenses</b>	<b>\$277,528</b>	<b>\$330,098</b>	<b>\$361,263</b>	<b>\$379,647</b>	<b>\$400,129</b>
<b>Funding Requirement</b>	<b>\$261,474</b>	<b>\$311,285</b>	<b>\$336,812</b>	<b>\$354,574</b>	<b>\$374,462</b>
<b>Public Funding</b>					
Sales Tax & PTF (Part II)	\$226,865	\$256,180	\$268,564	\$282,966	\$297,114
State Funds	9,108	10,020	11,500	11,500	11,500
ADA Paratransit Reserve Fund	25,501	8,260	0	0	0
RTA Sales Tax (Part I)	0	17,467	0	0	0
Innovation, Coordination, and Enhancement Fund	0	16,598	0	0	0
Suburban Community Mobility Fund	0	2,760	0	0	0
RTA Discretionary/SB2111 Funds	0	0	56,748	60,108	65,848
<b>Total Public Funding</b>	<b>\$261,474</b>	<b>\$311,285</b>	<b>\$336,812</b>	<b>\$354,574</b>	<b>\$374,462</b>
<b>Net Funding Available</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Recovery Ratio</b>	<b>10.95%</b>	<b>11.21%</b>	<b>6.77%</b>	<b>6.60%</b>	<b>6.41%</b>

## 2026 Regional ADA Paratransit Projected Cash Flow

The following table provides an estimate of Pace's 2026 revenue, expenses, and cash position for Regional ADA Paratransit service operations on a monthly basis.

Estimates for public funding are included in total revenue and are based on information provided by the RTA.

**Table 24. 2026 Regional ADA Paratransit Projected Cash Flow Summary (000s)**

Month	Beginning Balance	Revenue	Expenses	Net Results	Ending Balance
January	\$27,394	\$32,022	\$30,105	\$1,917	\$29,311
February	29,311	29,147	30,105	(958)	28,353
March	28,353	29,147	30,105	(958)	27,395
April	27,395	32,022	30,105	1,917	29,312
May	29,312	29,147	30,105	(958)	28,354
June	28,354	29,147	30,105	(958)	27,396
July	27,396	32,022	30,105	1,917	29,313
August	29,313	29,147	30,105	(958)	28,355
September	28,355	29,147	30,105	(958)	27,397
October	27,397	32,022	30,105	1,917	29,313
November	29,313	29,147	30,105	(958)	28,355
December	28,355	29,147	30,108	(961)	27,394





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## Combined Suburban Service/ADA Budget & Two-Year Financial Plan

Pace's Combined Budget and Two-Year Financial Plan are included in the table below. A table presenting anticipated cash flows for 2026 has also been provided on the following page.

The combined programs are balanced and show adequate funds to support operations over the three-year planning horizon.

**Table 25. Combined Suburban Service/ADA Budget & Two-Year Financial Plan (000s)**

	2024 Actual	2025 Estimate	2026 Budget	2027 Projected	2028 Projected
<b>Suburban Service</b>					
Revenue	\$54,595	\$49,172	\$50,765	\$49,370	\$48,744
Expenses	274,950	329,953	372,412	381,082	402,118
<b>Funding Requirement</b>	<b>\$220,355</b>	<b>\$280,781</b>	<b>\$321,647</b>	<b>\$331,712</b>	<b>\$353,374</b>
<b>Public Funding</b>	<b>\$244,681</b>	<b>\$280,781</b>	<b>\$321,647</b>	<b>\$331,712</b>	<b>\$353,374</b>
<b>Net Funding Available</b>	<b>\$24,326</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fund Balance - Unrestricted Net Assets					
Beginning Balance	\$251,155	\$268,135	\$242,727	\$184,539	\$172,275
Net Operating Results	24,326	0	0	0	0
Less: Change in Lease Liability	1,841	1,000	1,000	1,000	1,000
Less: Operating Expended from Fund Balance	0	15,135	45,725	0	0
Less: Capital Expended from Fund Balance	5,505	9,273	11,463	11,264	2,250
<b>Ending Balance</b>	<b>\$268,135</b>	<b>\$242,727</b>	<b>\$184,539</b>	<b>\$172,275</b>	<b>\$169,025</b>
<b>Regional ADA Paratransit Service</b>					
Revenue	\$16,054	\$18,813	\$24,451	\$25,073	\$25,667
Expenses	277,528	330,098	361,263	379,647	400,129
<b>Funding Requirement</b>	<b>\$261,474</b>	<b>\$311,285</b>	<b>\$336,812</b>	<b>\$354,574</b>	<b>\$374,462</b>
<b>Public Funding</b>	<b>\$261,474</b>	<b>\$311,285</b>	<b>\$336,812</b>	<b>\$354,574</b>	<b>\$374,462</b>
<b>Net Funding Available*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fund Balance - Unrestricted Net Assets					
Beginning Balance	\$0	\$0	\$0	\$0	\$0
Net Operating Results	0	0	0	0	0
Less: Capital Expended from Fund Balance	0	0	0	0	0
<b>Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Combined Service</b>					
Revenue	\$70,649	\$67,985	\$75,216	\$74,443	\$74,411
Expenses	552,478	660,051	733,675	760,729	802,247
<b>Funding Requirement</b>	<b>\$481,829</b>	<b>\$592,066</b>	<b>\$658,459</b>	<b>\$686,286</b>	<b>\$727,836</b>
<b>Public Funding</b>	<b>\$506,155</b>	<b>\$592,066</b>	<b>\$658,459</b>	<b>\$686,286</b>	<b>\$727,836</b>
<b>Net Funding Available</b>	<b>\$24,326</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fund Balance - Unrestricted Net Assets					
Beginning Balance	\$251,155	\$268,135	\$242,727	\$184,539	\$172,275
Net Operating Results	24,326	0	0	0	0
Less: Change in Lease Liability	1,841	1,000	1,000	1,000	1,000
Less: Operating Expended from Fund Balance	0	15,135	45,725	0	0
Less: Capital Expended from Fund Balance	5,505	9,273	11,463	11,264	2,250
<b>Ending Balance</b>	<b>\$268,135</b>	<b>\$242,727</b>	<b>\$184,539</b>	<b>\$172,275</b>	<b>\$169,025</b>

\*For Regional ADA Paratransit Service, positive year-end net funding available is returned to RTA and does not increase Fund Balance held by Pace

## 2026 Combined Services Projected Cash Flow

The following table provides an estimate of 2026 revenue, expense, and cash position for Pace's combined operations—Suburban Service and Regional ADA Paratransit Service.

The agency budget is balanced to the funding levels set by the RTA for 2026. Pace's combined cash position is balanced and sufficient to meet next year's needs.

*Balanced budgets for Suburban Service and Regional ADA Paratransit ensure Pace's combined cash position is sufficient for 2026.*

**Table 26. 2026 Combined Services Projected Cash Flow Summary (000s)**

Month	Beginning Balance	Revenue	Expense	Net Results	Ending Balance
January	\$303,386	\$55,311	\$63,156	(\$7,845)	\$295,541
February	295,541	52,287	61,104	(8,816)	286,725
March	286,725	54,615	64,786	(10,171)	276,554
April	276,554	57,596	63,156	(5,560)	270,994
May	270,994	55,411	61,104	(5,692)	265,302
June	265,302	56,124	61,104	(4,980)	260,322
July	260,322	57,711	63,156	(5,445)	254,877
August	254,877	55,180	61,104	(5,923)	248,954
September	248,954	55,543	61,104	(5,561)	243,393
October	243,393	61,723	63,156	(1,433)	241,959
November	241,959	57,500	61,104	(3,603)	238,356
December	238,356	68,949	61,107	7,842	246,198

## Suburban Service Capital Budget & Five-Year Business Plan

The RTA Budget Call, released in June, defines the schedule and information requirements that the Service Boards (CTA, Metra, and Pace) must follow to develop their five-year capital program based on the preparatory funding amounts released in August. The capital program for each Service Board identifies projects to be undertaken in the 2026-2030 program period and is evaluated based on 15 metrics identified in *Transit is the Answer*, the regional transit strategic plan for Northeastern Illinois that was adopted February 16, 2023, by the RTA and developed in collaboration with stakeholders and the Service Boards. This plan outlines the case for pursuing dependable funding streams that will enable its vision of safe, reliable, accessible public transportation that connects people to opportunity, advances equity, and combats climate change.

The Service Boards must articulate their methodology for analyzing priorities and selecting projects to be funded in the 2026-2030 Capital Program. This process should be reflective of each Service Board's Transit Asset Management (TAM) Plan. Updates to TAM plans are provided to the RTA as a part of the budget process and posted on each Service Board's website in accordance with state

legislation. The RTA reviews the plans to ensure compliance with federal and state requirements, understand each Service Board's approach to TAM, and to inform RTA's Strategic Asset Management activities. TAM plans must include condition assessments of inventoried assets and a prioritized list of investments to improve the state of good repair of those assets. Each year, transit providers are required to set performance targets for their capital assets and report them to the National Transit Database.

Federal formula funding estimates for the region are aligned with the Infrastructure Investment and Jobs Act (IIJA), signed into law November 2021. State funding estimates for the region are aligned with *Rebuild Illinois*, signed into law June 2019, which includes PAYGO funds. In July 2021, the RTA Board of Directors adopted the Performance-Based Capital Allocation Process, which is guided by three principles: Addressing Capital Reinvestment Need, Incentivizing Capital Expenditure Performance, and Advancing Policy Priorities, which determines the percentages of state PAYGO funds and federal formula funds allocated to each of the Service Boards. These funding marks are adopted by the RTA Board no later than the statutorily required date of September 15th.

**Table 27. Estimated Five-Year State Capital Funding (000s)**

Funding Source	2026	2027	2028	2029	2030	Total
PAYGO	\$20,250	\$19,649	\$20,140	\$20,644	\$14,370	<b>\$95,054</b>



2026 Suburban Service Capital Program/Project Descriptions

Capital Budget Mark Assumptions

The RTA's funding marks include estimated federal, state, and local funds that are anticipated to be available to the region for capital investment purposes. The 2026 Capital Program marks provide Pace \$55.835 million of Sections 5307 and 5339 federal formula funds and \$20.250 million of state PAYGO funds.

The 2026 Suburban Capital Program totals \$76.085 million, and includes the following:

Rolling Stock (\$32.437 Million)

Pace will replace 22 diesel buses operating fixed route service systemwide with 13 hybrid buses and 9 electric buses. Pace will also replace 17 paratransit vehicles operating systemwide.

Operating Cost Impacts

Pace's average fleet age is 9.0 years for fixed route buses, while their typical useful life expectancy is 12 years. Pace's average fleet age for paratransit vehicles is 5.6 years, while their typical useful life expectancy is four years. Replacing vehicles will reduce the average fleet age and lower maintenance costs. Electric and hybrid propulsion technologies will improve air quality and reduce operating expenses.

Electrical/Signal/Communications (\$12.560 Million)

Pace will replace in-vehicle, dispatch, and portable voice radios as well as in-vehicle data radios systemwide which have exceeded their useful life.

Support Facilities & Equipment (\$31.088 Million)

River Division Construction: Funding will be used to construct a new bus storage and maintenance facility located in Elgin, including installation of charging infrastructure for electric buses.

Northwest Wheeling Division Construction: Funding will be used to construct a new bus storage and maintenance facility located in Wheeling.

Southwest Division Electrification/Expansion: Funding will be used to complete the renovation and expansion of the Southwest garage located in Bridgeview, including installation of charging infrastructure for electric buses.

Computer Hardware: Replacement of keyboard, video, mouse, and switch equipment. Replacement of servers for Citrix, IBS, and Trapeze application infrastructure as well as hardware for storage and offsite replication of back-ups. Installation of a cellular distributed antenna system. All items will be located at Pace Headquarters and/or South Campus data center in Markham.

Non-Revenue Vehicles: Replacement of 18 non-revenue vehicles beyond useful life with 15 SUVs and 3 light duty pick-up trucks.

Security Cameras: Replacement of security camera systems at North Shore, Northwest, River, and Southwest Divisions.

Operating Cost Impacts

River and Southwest Divisions will be equipped with charging infrastructure for electric buses, which will reduce fuel expenses. Replacement of non-revenue vehicles will reduce maintenance costs.



Table 28. 2026 Capital Program (000s)

Funding Source	Amount
Federal 5307/5339	\$55,835
State PAYGO	20,250
Total	\$76,085





*The modernization of the Northwest Transportation Center in Schaumburg, which includes a new ADA Transfer facility, was completed on September 10, 2025.*



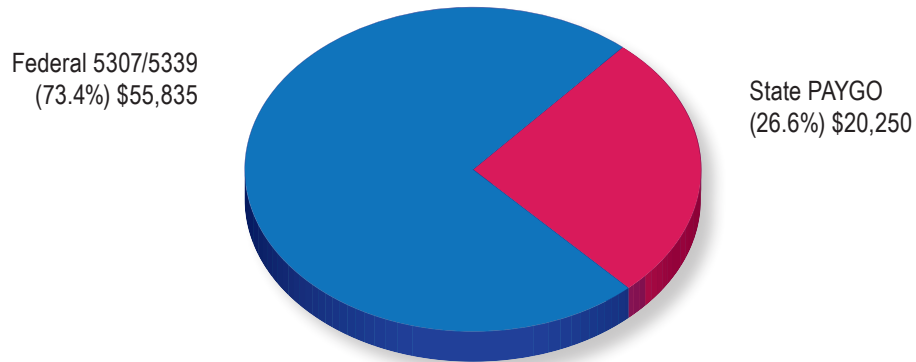
*The Southwest garage in Bridgeview will be expanded and renovated with the installation of charging infrastructure for electric buses.*

**Table 29. 2026 Suburban Service Capital Program (000s)**

	<b>Total Budget</b>	<b>Federal 5307/5339</b>	<b>State PAYGO</b>
<b>Rolling Stock</b>			
Fixed Route Hybrid Buses (13)	\$16,900	\$16,900	\$0
Fixed Route Electric Buses (9)	13,500	13,500	0
Paratransit Vehicles (17)	2,037	2,037	0
<b>Subtotal</b>	<b>\$32,437</b>	<b>\$32,437</b>	<b>\$0</b>
<b>Electrical/Signal/Communications</b>			
Voice Radios	\$9,600	\$9,600	\$0
Data Radios	2,960	2,960	0
<b>Subtotal</b>	<b>\$12,560</b>	<b>\$12,560</b>	<b>\$0</b>
<b>Support Facilities &amp; Equipment</b>			
River Division Construction	\$12,000	\$0	\$12,000
Northwest Wheeling Division Construction	8,250	0	8,250
Southwest Division Electrification/Expansion	7,500	7,500	0
Computer Hardware	1,948	1,948	0
Non-Revenue Vehicles	840	840	0
Security Cameras	550	550	0
<b>Subtotal</b>	<b>\$31,088</b>	<b>\$10,838</b>	<b>\$20,250</b>
<b>Total 2026 Suburban Capital Program</b>	<b>\$76,085</b>	<b>\$55,835</b>	<b>\$20,250</b>
<b>2026 Marks</b>	<b>\$76,085</b>	<b>\$55,835</b>	<b>\$20,250</b>

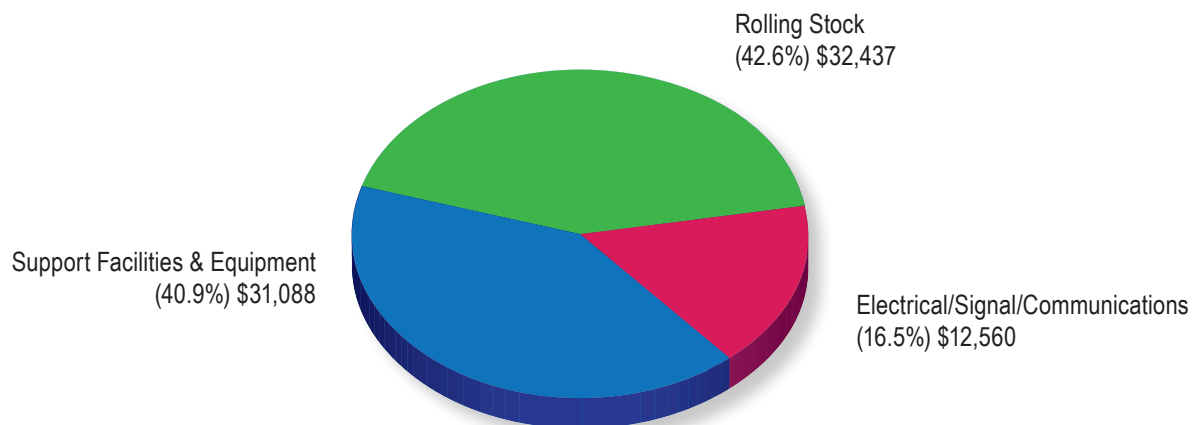
## 2026 Suburban Service Capital Program

### 2026 Sources of Funds (000s) - Total \$76,085



*Over 73% of Pace's capital funding is expected to come from federal sources.*

### 2026 Uses of Funds (000s) - Total \$76,085



*Over 42% of Pace's capital program will be allocated to Rolling Stock.*



## Capital Funding Sources

### State Funding

In June 2019, the Illinois General Assembly passed *Re-build Illinois*, which established a PAYGO fund from the motor fuel tax to provide an ongoing, reliable funding source for the Service Boards' capital needs. Pace expects to receive \$95.054 million of these funds in 2026–2030.

*Driving a Cleaner Illinois* is the IEPA's discretionary grant program for various types of mobile source electrification projects. The program implements funding from a variety of sources, including the Climate and Equitable Jobs Act, the Volkswagen Environmental Mitigation Trust, and U.S. EPA's Diesel Emission Reduction Act Program. In 2025, Pace received \$27 million from this program for the purchase of 27 electric buses.

### Federal Formula and Discretionary Funding

Federal formula funds, which include Section 5307 Urbanized Area and Section 5339(a) Bus and Bus Facilities, are expected to total \$267.177 million for Pace in 2026–2030. Federal discretionary funds are made available on a competitive basis nationally and awarded on a project-specific basis.

Some of these discretionary programs include:

- Better Utilizing Investments to Leverage Development (BUILD)—funds investments in surface transportation infrastructure such as roads, bridges, transit, rail, ports, or intermodal transportation; previously known as Rebuilding American Infrastructure with Sustainability and Equity (RAISE) and Transportation Investment Generating Economic Recovery (TIGER).
- Bus and Bus Facilities Discretionary Program (5339(b))—funds capital projects to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities.
- Capital Investment Grants (CIG) (5309)—funds major transit capital investments, including heavy rail, commuter rail, light rail, streetcars, and bus rapid transit. Projects are categorized as either New Starts, Core Capacity, or Small Starts.
- Carbon Reduction Program (CRP)—funds a wide range of projects designed to reduce carbon dioxide emissions from on-road highway sources, including constructing Bus Rapid Transit corridors.
- Community Project Funding (CPF)—funds projects sponsored by members of Congress in annual federal appropriations bills.
- Congestion Mitigation and Air Quality Improvement (CMAQ)—funds transportation projects that reduce traffic congestion and improve air quality in non-attainment and maintenance areas to help meet the requirements of the Clean Air Act.
- Enhanced Mobility of Seniors and Individuals with Disabilities (5310)—funds innovative projects that promote coordinated access and mobility for the transportation disadvantaged.
- Federal Emergency Management Agency (FEMA) Grant—funds programs to prevent, protect against, respond to, recover from, and mitigate terrorism and other disasters and emergencies.
- Low or No-Emission Vehicle Program (5339(c))—funds the purchase or lease of low or no emission buses or to lease, construct, or rehabilitate facilities to support low or no emission buses.

### RTA and Local Funding

The RTA provides funding to the Service Boards through the Innovation, Coordination and Enhancement (ICE) program, which can be applied to either operating or capital projects. Pace is planning to use these funds for the purchase of electric buses in 2027 and 2028 in this five-year capital plan.

*Invest in Cook* is a transportation grant program that began in 2017 and is administered by the Cook County Department of Transportation and Highways. In addition to operating funds, Pace received \$176,000 for the Cermak Road/22nd Street Business Access and Transit Lane Pilot construction for the capital program in 2025.

### Service Board Funding

Positive Budget Variance (PBV) represents the amount by which a Service Board is favorable to its operating budget and then retained in an unrestricted fund balance which can be used for capital projects. Pace has not included these funds in this five-year capital plan.

Public Act 97-0770 gave Pace authority to issue bonds for eligible capital projects effective January 1, 2013, that totaled \$100 million for four specific construction projects. Public Act 99-0665, effective July 29, 2016, amended Public Act 97-0770 to allow Pace to issue bonds for the purchase of transit buses, in addition to the previously authorized projects, while maintaining total bonding authority at \$100 million. Pace has not included these funds in this five-year capital plan.

## 2026–2030 Five-Year Suburban Service Capital Business Plan

The RTA funding marks for Pace's 2026–2030 Five-Year Suburban Capital Plan total \$367.326 million; comprised of \$267.177 million in federal 5307/5339 funds, \$95.054 million in state PAYGO funds, and \$5.094 million in RTA Innovation, Coordination, and Enhancement (ICE) funds.

Following is a summary of Pace's Five-Year Capital Plan:

### *Rolling Stock (\$238.104 Million)*

- 94 Fixed Route Electric Buses
- 28 Fixed Route Hybrid Buses
- 16 Fixed Route CNG Buses
- 8 Fixed Route OTR Coach Buses
- 287 Paratransit Vehicles

### *Electrical/Signal/Communications (\$19.060 Million)*

- Voice Radios
- Data Radios

### *Support Facilities & Equipment (\$77.421 Million)*

- River Division Construction
- Northwest Wheeling Division Construction
- Southwest Division Electrification/Expansion
- Computer Hardware/Software
- Improvements to Support Facilities
- Non-Revenue Vehicles

### *Stations & Passenger Facilities (\$32.740 Million)*

- Pulse Cermak Road/22nd Street Line



**Table 30.**  
**2026–2030 Five-Year Suburban Service**  
**Capital Business Plan (000s)**

Funding Source	Amount
Federal 5307/5339	\$267,177
State PAYGO	95,054
RTA ICE	5,094
<b>Total</b>	<b>\$367,326</b>



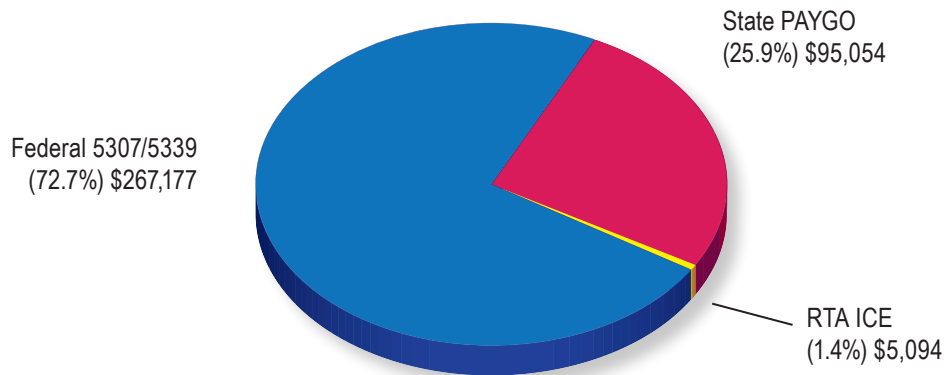
**Table 31. 2026–2030 Five-Year Suburban Service Capital Business Plan (000s)**

	2026	2027	2028	2029	2030	Total
<b>Rolling Stock Quantities*</b>						
Fixed Route Electric Buses	9	10	19	28	28	94
Fixed Route Hybrid Buses	13	0	15	0	0	28
Fixed Route CNG Buses	0	16	0	0	0	16
Fixed Route OTR Coach Buses	0	8	0	0	0	8
Paratransit Vehicles	17	56	65	94	55	287
<b>Rolling Stock</b>						
Fixed Route Electric Buses	\$13,500	\$16,010	\$28,085	\$42,000	\$42,000	\$141,594
Fixed Route Hybrid Buses	16,900	0	19,500	0	0	36,400
Fixed Route CNG Buses	0	16,000	0	0	0	16,000
Fixed Route OTR Coach Buses	0	9,600	0	0	0	9,600
Paratransit Vehicles	2,037	6,737	7,838	11,339	6,560	34,510
<b>Subtotal</b>	<b>\$32,437</b>	<b>\$48,347</b>	<b>\$55,423</b>	<b>\$53,339</b>	<b>\$48,560</b>	<b>\$238,104</b>
<b>Electrical/Signal/Communications</b>						
Voice Radios	\$9,600	\$6,500	\$0	\$0	\$0	\$16,100
Data Radios	2,960	0	0	0	0	2,960
<b>Subtotal</b>	<b>\$12,560</b>	<b>\$6,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,060</b>
<b>Support Facilities &amp; Equipment</b>						
River Division Construction	\$12,000	\$12,000	\$12,000	\$0	\$0	\$36,000
Northwest Wheeling Division Construction	8,250	7,649	8,140	2,274	0	26,314
Southwest Division Electrification/Expansion	7,500	0	0	0	0	7,500
Computer Hardware/Software	1,948	500	500	500	500	3,948
Improvements to Support Facilities	550	548	581	620	520	2,820
Non-Revenue Vehicles	840	0	0	0	0	840
<b>Subtotal</b>	<b>\$31,088</b>	<b>\$20,697</b>	<b>\$21,222</b>	<b>\$3,394</b>	<b>\$1,020</b>	<b>\$77,421</b>
<b>Stations &amp; Passenger Facilities</b>						
Pulse Cermak Road/22nd Street Line	\$0	\$0	\$0	\$18,370	\$14,370	\$32,740
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,370</b>	<b>\$14,370</b>	<b>\$32,740</b>
<b>Grand Total - Constrained</b>	<b>\$76,085</b>	<b>\$75,544</b>	<b>\$76,644</b>	<b>\$75,102</b>	<b>\$63,951</b>	<b>\$367,326</b>

\*Rolling Stock Quantities are not denominated in thousands

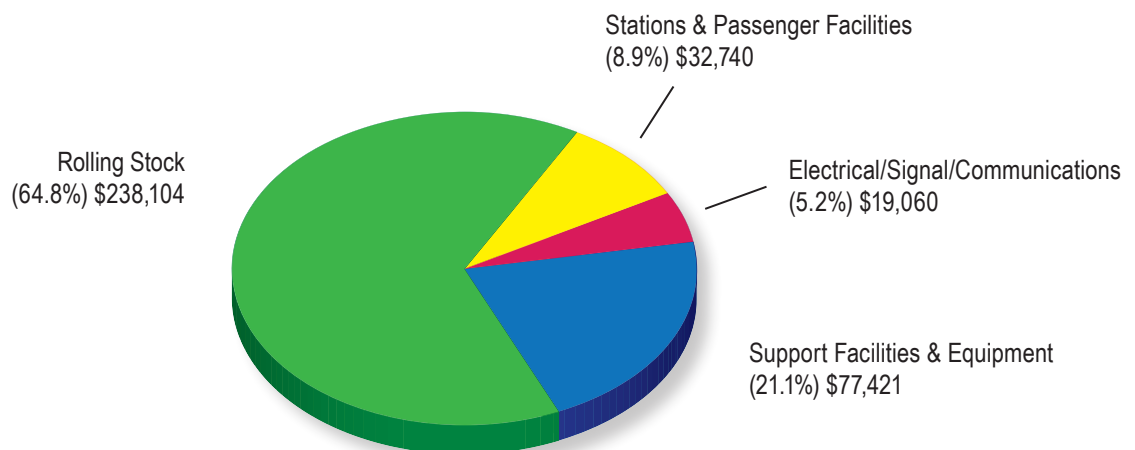
## 2026–2030 Five-Year Suburban Service Capital Business Plan

### 2026–2030 Sources of Funds (000s) - Total \$367,326



*Over 72% of Pace's capital funding is expected to come from federal sources.*

### 2026–2030 Uses of Funds (000s) - Total \$367,326



*A majority of the Pace capital program will be allocated to Rolling Stock.*

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## 2026–2030 Five-Year Regional ADA Paratransit Unconstrained Capital Program

### Overview

No capital funding is projected to be available for Regional ADA Paratransit capital needs in the five-year program marks; however, a Five-Year Unconstrained Capital Program has been developed to demonstrate to the RTA and Pace stakeholders that a predictable and sustainable capital funding source would be necessary to meet these unfunded needs.

For the ADA service in the City of Chicago, Pace currently utilizes private contractors who own the vehicles and rent or own the garages from which they operate. The costs of these vehicles and buildings are included in the hourly rates in the current contracts. A long-term capital funding solution is needed to replace these private carrier vehicles and to begin building facilities which support the service.

An alternative would be for Pace to own the fleet and garages and only contract for services. This would increase the number of eligible bidders, resulting in more competition. This would also reduce service rates since the private carriers would not need to account for depreciation of capital assets.

The 2026–2030 Five-Year Regional ADA Paratransit Unconstrained Capital Program totals \$203.491 million.

Highlights include:

- 1,013 replacement vehicles
- 75 expansion vehicles
- Radio system
- Four garage facilities
- Farebox system
- Two passenger transfer locations



**Table 32. 2026–2030 Regional ADA Paratransit Unconstrained Capital Program (000s)**

	2026	2027	2028	2029	2030	Total
<b>Rolling Stock Quantities*</b>						
Chicago Vehicle Replacement	166	166	167	167	167	833
Suburban Vehicle Replacement	36	36	36	36	36	180
Regional Vehicle Expansion	15	15	15	15	15	75
<b>Total Vehicle Needs</b>	<b>217</b>	<b>217</b>	<b>218</b>	<b>218</b>	<b>218</b>	<b>1,088</b>
<b>Rolling Stock</b>						
Chicago Vehicle Replacement	\$19,920	\$19,920	\$20,040	\$20,040	\$20,040	\$99,960
Suburban Vehicle Replacement	4,320	4,320	4,320	4,320	4,320	21,600
Regional Vehicle Expansion	1,800	1,800	1,800	1,800	1,800	9,000
<b>Subtotal</b>	<b>\$26,040</b>	<b>\$26,040</b>	<b>\$26,160</b>	<b>\$26,160</b>	<b>\$26,160</b>	<b>\$130,560</b>
<b>Electrical/Signal/Communications</b>						
Radio System	\$977	\$977	\$981	\$981	\$981	\$4,896
<b>Subtotal</b>	<b>\$977</b>	<b>\$977</b>	<b>\$981</b>	<b>\$981</b>	<b>\$981</b>	<b>\$4,896</b>
<b>Support Facilities &amp; Equipment</b>						
Construct Four Garage Facilities	\$2,700	\$3,900	\$17,500	\$14,000	\$16,000	\$54,100
Farebox System	1,628	1,628	1,635	1,635	1,635	8,160
<b>Subtotal</b>	<b>\$4,328</b>	<b>\$5,528</b>	<b>\$19,135</b>	<b>\$15,635</b>	<b>\$17,635</b>	<b>\$62,260</b>
<b>Stations &amp; Passenger Facilities</b>						
Construct Passenger Transfer Locations	\$0	\$0	\$0	\$2,888	\$2,888	\$5,775
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,888</b>	<b>\$2,888</b>	<b>\$5,775</b>
<b>Grand Total Needs</b>	<b>\$31,344</b>	<b>\$32,544</b>	<b>\$46,276</b>	<b>\$45,664</b>	<b>\$47,664</b>	<b>\$203,491</b>

\*Rolling Stock Quantities are not in thousands



## Organizational Overview

Pace staffing requirements are classified into four primary categories: administration, centralized support, Pace divisions, and Regional ADA Paratransit services. Within each category, employees are further classified into four activity areas: operations, maintenance, non-vehicle maintenance, and administration. These activity areas are defined by the National Transit Database (NTD) reporting requirements which apply to all public transit operators.

For 2026, the headquarters administration category is budgeted at 221.0 approved full-time equivalent (FTE) positions with 23.0 FTE vacancies and 5.5 FTE positions allocated to ADA operations, resulting in 192.5 budgeted FTE positions. The headquarters central support category is budgeted at 108.0 approved FTE positions with 16.0 FTE vacancies, resulting in 92.0 budgeted FTE positions. No additional positions are authorized in either category.

The Pace divisions category is comprised of nine garages and is budgeted at 1,761.0 filled FTE positions for 2026. This is an increase of 132.0 positions over 2025 estimated levels, reflecting planned enhancements to existing fixed route services.

The Regional ADA Paratransit category includes 48.5 approved FTE positions and 5.5 FTE positions allocated from headquarters administration with 4.0 FTE vacancies, resulting in 50.0 budgeted FTE positions for 2026. No additional positions are authorized; however, total vacancies are expected to decrease by 3.0 FTE positions from 2025 estimated levels.

Pace's headquarters functions are organized into four main units—Finance, Operations, Planning, and External Relations—which report to the Executive Director and oversee the work of additional reporting departments. Other departments that report directly to the Executive Director are Internal Audit, Human Resources, Communications, Ethics, Government Affairs, Legal, Priority Project Management, Procurement, Capital Infrastructure, and Information Technology.

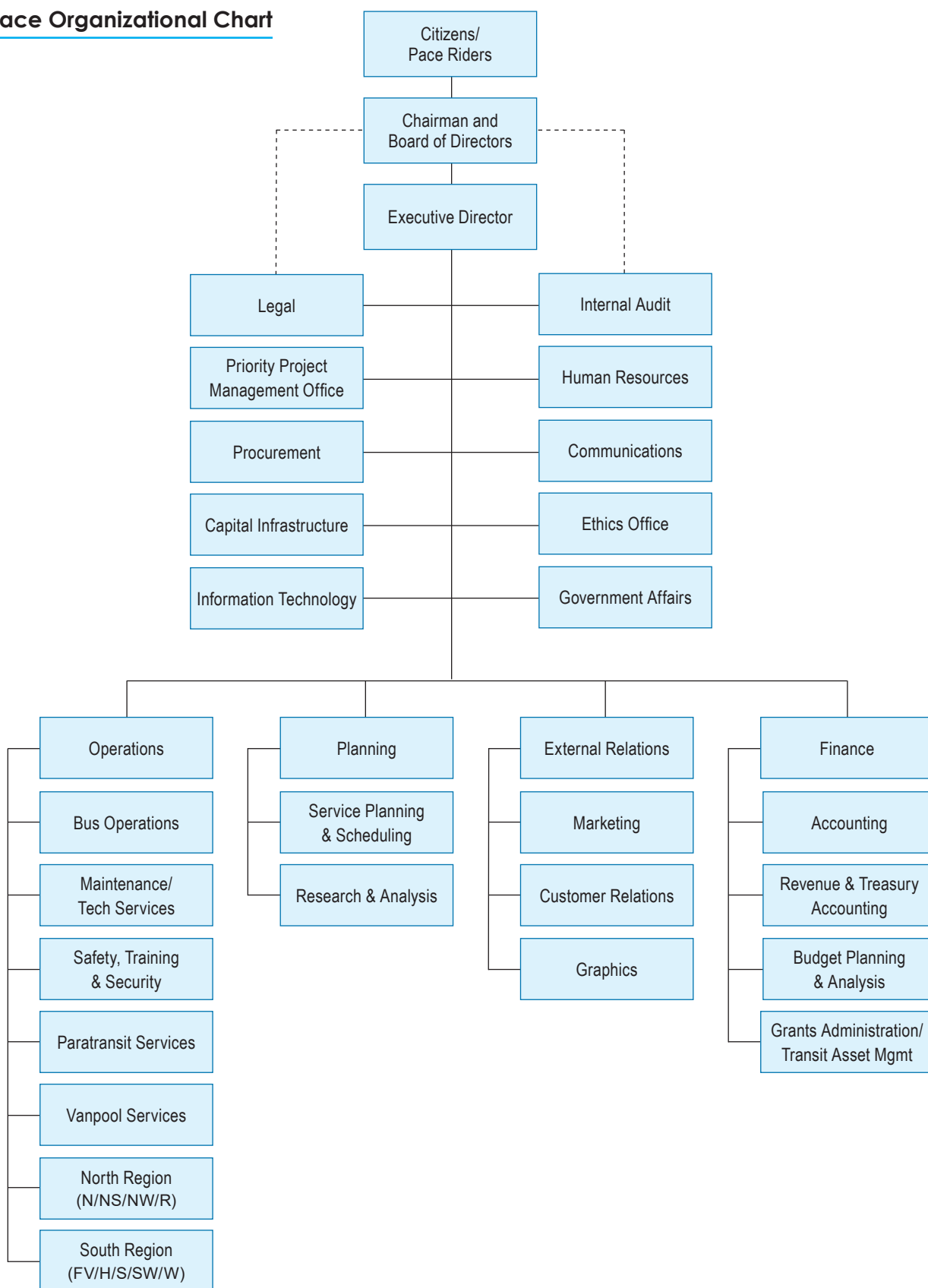
The organization structure is shown on the next page. The number of employees assigned to each department is detailed in Table 34 and an overview of each department's duties and responsibilities is presented on the following pages.

**Table 33. Full-Time Equivalent Positions (FTEs)**

	Admin	Central Support	Pace Divisions	Total
<b>2024 Actual</b>				
Operations	0.0	37.0	1,130.0	1,167.0
Maintenance	0.0	30.0	295.0	325.0
NVM*	0.0	16.0	16.0	32.0
Administration	169.5	0.0	37.0	206.5
<b>Suburban Service</b>	<b>169.5</b>	<b>83.0</b>	<b>1,478.0</b>	<b>1,730.5</b>
Reg. ADA Paratransit	42.0	0.0	0.0	42.0
<b>Total</b>	<b>211.5</b>	<b>83.0</b>	<b>1,478.0</b>	<b>1,772.5</b>
<b>2025 Estimated</b>				
Operations	0.0	40.0	1,276.0	1,316.0
Maintenance	0.0	32.0	300.0	332.0
NVM*	0.0	16.0	16.0	32.0
Administration	185.5	0.0	37.0	222.5
<b>Suburban Service</b>	<b>185.5</b>	<b>88.0</b>	<b>1,629.0</b>	<b>1,902.5</b>
Reg. ADA Paratransit	47.0	0.0	0.0	47.0
<b>Total</b>	<b>232.5</b>	<b>88.0</b>	<b>1,629.0</b>	<b>1,949.5</b>
<b>2026 Budget</b>				
Operations	0.0	44.0	1,408.0	1,452.0
Maintenance	0.0	32.0	300.0	332.0
NVM*	0.0	16.0	16.0	32.0
Administration	192.5	0.0	37.0	229.5
<b>Suburban Service</b>	<b>192.5</b>	<b>92.0</b>	<b>1,761.0</b>	<b>2,045.5</b>
Reg. ADA Paratransit	50.0	0.0	0.0	50.0
<b>Total</b>	<b>242.5</b>	<b>92.0</b>	<b>1,761.0</b>	<b>2,095.5</b>

\*Non-Vehicle Maintenance

## Pace Organizational Chart



**Table 34. 2026 Operating Budget - Department Budgeted Positions (FTEs)**

Suburban Service	2024 Actual	2025 Estimate	2026 Budget	Suburban Service	2024 Actual	2025 Estimate	2026 Budget
<b>Office of the Executive Director</b>	5.0	5.0	5.0	<b>Planning</b>	2.0	2.0	2.0
Internal Audit	6.0	6.0	6.0	Service Planning & Scheduling	12.0	12.0	12.0
Human Resources	17.0	19.0	19.0	Research & Analysis	7.0	7.0	7.0
Communications	3.0	3.0	3.0	<b>Total</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>
Ethics Office	1.0	1.0	1.0	<b>External Relations</b>	2.0	2.0	2.0
Government Affairs	11.0	11.0	11.0	Marketing	5.0	5.0	5.0
Legal	13.0	13.0	13.0	Customer Relations	4.0	4.0	4.0
Priority Project Management Office	4.0	4.0	4.0	Graphics	8.0	8.0	8.0
Procurement	19.0	19.0	19.0	<b>Total</b>	<b>19.0</b>	<b>19.0</b>	<b>19.0</b>
Capital Infrastructure	28.0	28.0	28.0	<b>Total Suburban Service</b>	<b>1,807.0</b>	<b>1,958.0</b>	<b>2,090.0</b>
Information Technology	35.0	35.0	35.0				
Unassigned Vacancies	3.0	1.0	1.0				
<b>Total</b>	<b>145.0</b>	<b>145.0</b>	<b>145.0</b>				
<b>Finance</b>	1.0	1.0	1.0				
Accounting	17.0	17.0	17.0	<b>Regional ADA</b>	<b>2024 Actual</b>	<b>2025 Estimate</b>	<b>2026 Budget</b>
Revenue & Treasury Accounting	7.0	7.0	7.0	Chicago ADA Paratransit	48.5	48.5	48.5
Budget Planning & Analysis	5.0	5.0	5.0	Suburban Service Allocation	5.5	5.5	5.5
Grants Administration/ Transit Asset Management	10.0	10.0	10.0	<b>Total Regional ADA</b>	<b>54.0</b>	<b>54.0</b>	<b>54.0</b>
<b>Total</b>	<b>40.0</b>	<b>40.0</b>	<b>40.0</b>	<b>Total Suburban &amp; Regional ADA</b>	<b>1,861.0</b>	<b>2,012.0</b>	<b>2,144.0</b>
<b>Operations</b>	4.0	4.0	4.0	Suburban Svc Vacancy Factor	(71.0)	(50.0)	(39.0)
Bus Operations	27.0	27.0	27.0	Regional ADA Vacancy Factor	(12.0)	(7.0)	(4.0)
Maintenance/Tech Services	38.0	38.0	38.0	ADA Allocation	(5.5)	(5.5)	(5.5)
Safety/Training/Security	11.0	11.0	11.0	<b>Total - With Vacancy Factors</b>	<b>1,772.5</b>	<b>1,949.5</b>	<b>2,095.5</b>
Paratransit Services	10.0	10.0	10.0				
Vanpool Services	14.0	14.0	14.0				
Pace Divisions:							
Bus Operators	1,024.0	1,170.0	1,302.0				
Operations Supervisors	106.0	106.0	106.0				
Maintenance	295.0	300.0	300.0				
Non-Vehicle Maintenance	16.0	16.0	16.0				
Administration	37.0	37.0	37.0				
<b>Total</b>	<b>1,582.0</b>	<b>1,733.0</b>	<b>1,865.0</b>				



## Department Overview

A detailed description of each department is provided as follows:

### *Office of the Executive Director*

Office of the Executive Director: The Executive Director is responsible for overall management of the agency including all staffing and contractual relationships necessary to carry out the powers of the Suburban Bus Board (Pace) in accordance with the RTA Act. Guides the agency in making decisions prioritizing investments in capital assets and new programs/services. Oversees Disadvantaged Business Enterprise compliance with regulatory requirements.

Internal Audit: Responsible for directing performance, financial, and compliance audits to ensure maintenance of organizational and professional ethical standards.

Human Resources: Responsible for recruitment, compensation, benefit administration, employee relations, and development of the agency's human resource policies. Oversees professional development and training for the agency. Responsible for programs and initiatives that enhance Pace's diverse and inclusive work environment.

Communications: Responsible for managing the organization's external communications with stakeholders. Serves as the organization's primary media contact.

Ethics Office: Responsible for acting as Ethics Officer pursuant to state law, conducts ethics training for employees, provides guidance to Board members and employees regarding the interpretation and implementation of state ethics laws.

Government Affairs: Responsible for coordinating governmental outreach campaigns, as well as planning and directing legislative strategies.

Legal: Responsible for reviewing contracts, monitoring litigation, handling claim defense litigation, and assuring legal compliance with all required federal, state, and local regulations. Also responsible for insurance and claims handling for the entire agency.

Priority Project Management Office: Responsible for oversight support of Pace's priority capital projects and the implementation of the Rapid Transit Program and other initiatives identified in Pace's strategic plan, *Driving Innovation*.

Procurement: Responsible for directing and coordinating all purchasing and procurement activities and contracting services.

Capital Infrastructure: Responsible for real estate management, design, engineering and construction of all fixed facilities, environmental management, and facility maintenance management.

Information Technology: Responsible for direction and provision of all information technology systems for the agency. The department includes IT administration, application services, client services, infrastructure services, and data services.

### *Finance*

Accounting: Responsible for accounts payable, accounts receivable and billing, fixed assets, payroll, general accounting, and financial reporting. Produces monthly interim and year-end financial statements, the annual schedule of federal awards and expenditures, as well as regulatory compliance reporting.

Revenue & Treasury Accounting: Responsible for debt, investment, and cash management services. Fare revenue analysis and reporting is performed along with National Transit Database reporting.

Budget Planning & Analysis: Responsible for Suburban Service and ADA operating budget planning, analysis, and management reporting. Performs special analysis and reporting on financial impact topics. Produces quarterly reports to the RTA. Prepares annual budget document and materials for public hearings.

Grants Administration/Transit Asset Management: Responsible for federal, state, and local grants administration, capital budget development, and Transit Asset Management administration.

### *Operations*

Bus Operations: Responsible for managing and controlling the provision of bus service contracts and direct operation of Pace-operated and subsidized fixed route service providers, as well as non-revenue fleet management. Also oversees passenger facility maintenance, including the installation and maintenance of Pace's bus stop shelters and signage.

**Maintenance/Tech Services:** Responsible for setting policy for all maintenance procedures as well as managing fleet procurements and distribution.

**Safety, Training, and Security:** Responsible for safety and training programs for all operations. Establishes program guidelines and assures compliance with regulatory requirements. Assures security and safety of Pace assets, employees, and passengers.

**Paratransit Services:** Responsible for the management of the Regional ADA Paratransit Program.

**Vanpool Services:** Responsible for the management of Pace's Vanpool services.

**Pace Divisions:** Regional management (North and South) oversees and manages the provision of fixed route services from Pace's nine operating garages and support facilities. Responsible for day-to-day operations of fixed route services and all related activities including, but not limited to: employment, work assignment, collective bargaining, inventory management, equipment and facility maintenance, reporting, and employee safety oversight (in coordination with the Safety Department).

### *Planning*

**Service Planning & Scheduling:** Responsible for all fixed route and community service planning and scheduling, including adjustment of existing services to improve performance, evaluating new markets for service expansion and service reductions, and the creation of operator run work schedules.

**Research & Analysis:** Responsible for the management of customer satisfaction measurement and reporting, and special studies that support business objectives. Produces ridership reporting, performance measures, on-time performance measures, and other operational data.

### *External Relations*

**Marketing:** Responsible for planning, developing, and administering marketing programs to promote the agency and its services to the public.

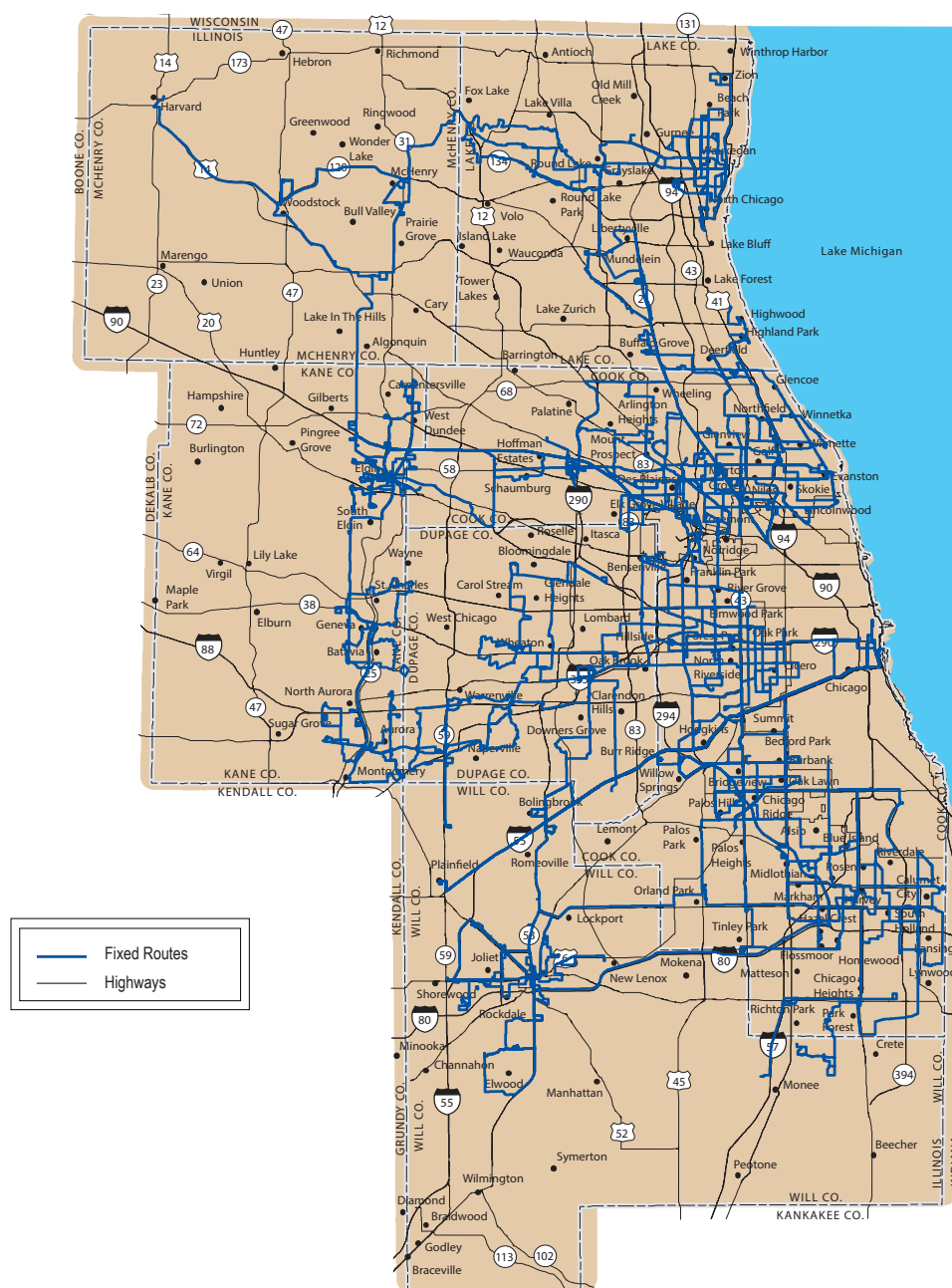
**Customer Relations:** Responsible for handling customer inquiries and providing schedule information to Pace customers. Administers customer management system for tracking customer complaints, produces customer complaints metrics, and follows up with responsible business units.

**Graphics:** Responsible for designing/producing communication pieces, providing audio/visual communication resources, print production of bus schedules, and other printed materials.



## Fixed Route Service Characteristics

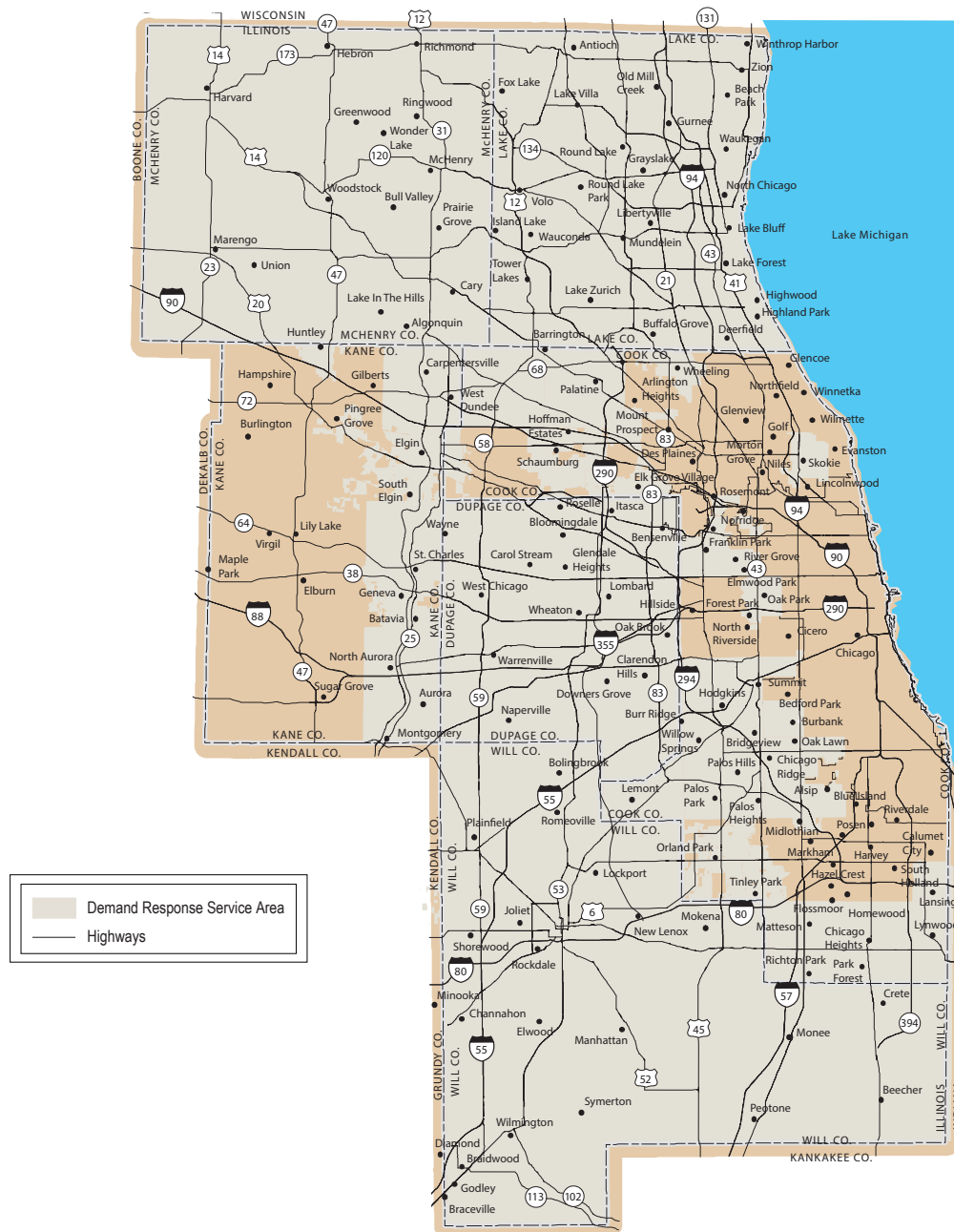
Fixed Route Service includes 133 regular routes and numerous seasonal routes which are operated by Pace. These routes serve 210 communities and are estimated to carry 1.4 million rides per month in 2025, utilizing 517 vehicles during peak periods. All routes are fully wheelchair accessible.



## Demand Response Service Characteristics

Demand Response Service utilizes 281 lift-equipped vehicles to provide mobility and access to communities in the six-county suburban service area. These services are estimated to carry approximately 61,500 monthly riders in 2025. The majority of the riders are elderly and/or people with disabilities.

Pace contracts directly with private service providers for the operation of 14 demand response projects, six coordinated County-wide programs, 11 On Demand services, and has agreements with villages and townships for the operation of over 10 other demand response projects. Pace River Division operates one demand response project and five On Demand services. The other six On Demand services are operated by paratransit contracted service providers in each service area. These projects provide services to over 125 townships and municipalities throughout the six-county area.



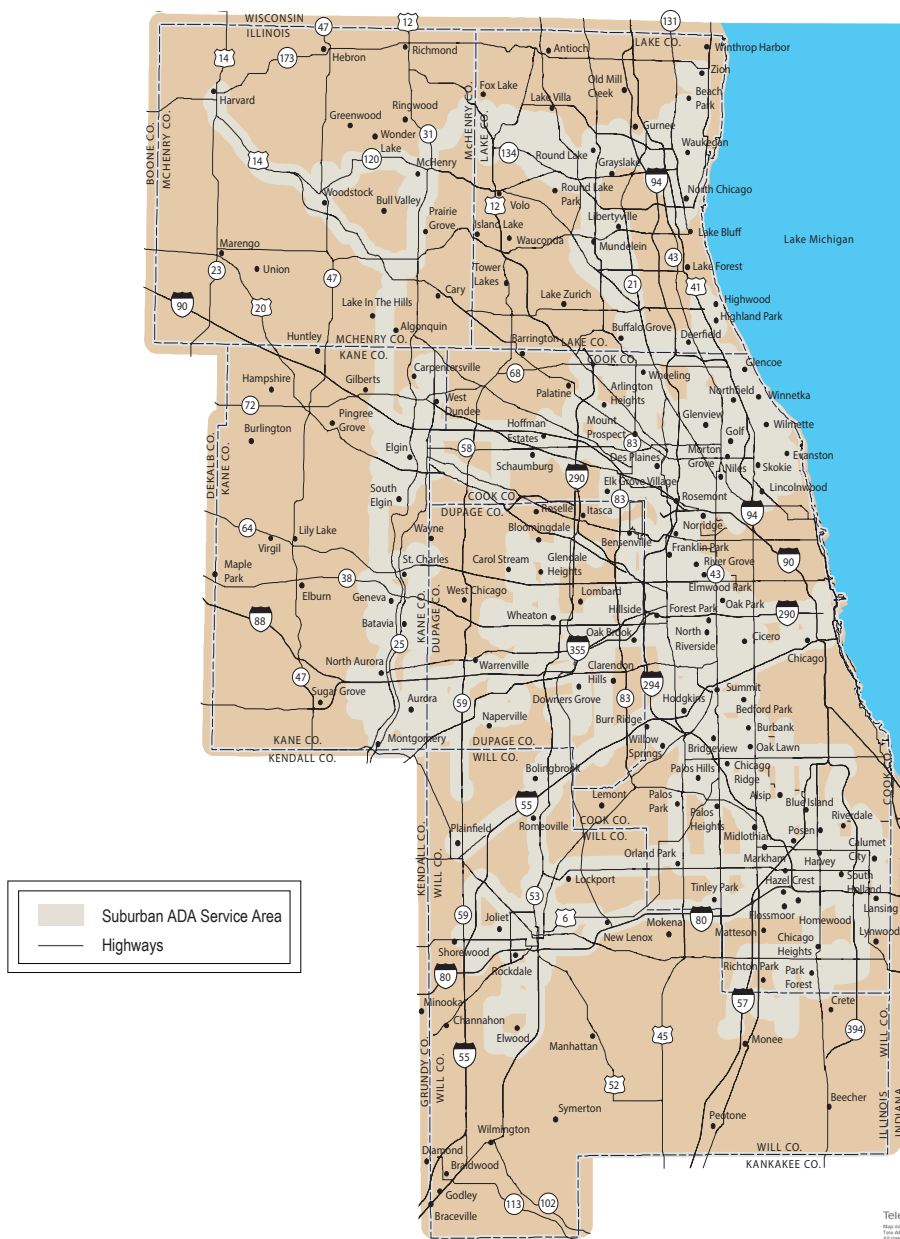
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## Suburban ADA Paratransit Service Characteristics

Individuals who have difficulty accessing fixed route service may apply for RTA ADA certification to utilize ADA Para-transit Service. The RTA administers a regional certification program which determines eligibility for this service. Once eligible, passengers can make travel arrangements for trips within the shaded service area. This area represents a 3/4-mile corridor to either side of Pace's regular fixed routes in suburban areas as required by federal regulations.

Pace contracts with dedicated paratransit transportation service providers and local taxi/TNC providers for ADA Paratransit services. Pace River Division provides a portion of ADA Paratransit service in Kane County. Suburban ADA Paratransit utilizes 276 accessible vehicles, as well as taxi/TNC-owned vehicles to provide service. These services are estimated to carry approximately 59,000 monthly riders in 2025.

Certified riders can also use the Rideshare Access Program (RAP). Trips are subsidized up to \$30 after riders pay the first \$2 towards the cost of their trip. The fare for this service increased to \$3.25 in October 2025. This service is estimated to carry 41,000 monthly riders in 2025.

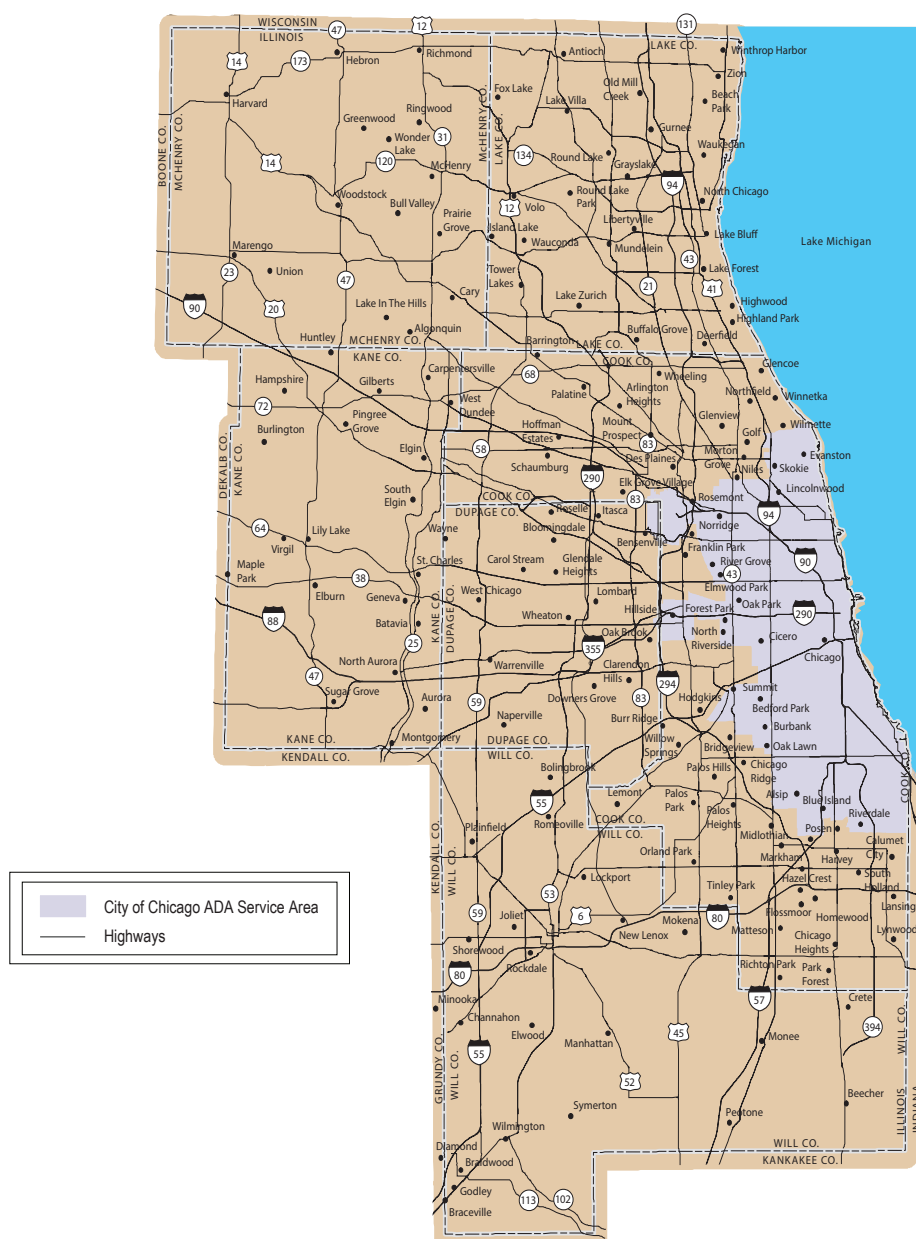


## City of Chicago ADA Paratransit Service Characteristics

Individuals who have difficulty accessing fixed route service may apply for RTA ADA certification to utilize ADA Paratransit Service. The RTA administers a regional certification program which determines eligibility for this service. Once eligible, passengers can make travel arrangements for trips within the shaded service area. This area represents a 3/4-mile corridor to either side of CTA/Pace regular fixed routes and each CTA rail station in the City of Chicago as required by federal regulations.

Pace contracts with dedicated paratransit transportation service providers and local taxi/TNC providers for ADA Paratransit services. Chicago ADA Paratransit utilizes 762 accessible vehicles, as well as taxi/TNC-owned vehicles to provide service. These services are estimated to carry approximately 205,600 monthly riders in 2025.

Certified riders in Chicago can also use the Taxi Access Program (TAP) and Rideshare Access Program (RAP). Trips are subsidized up to \$30 after riders pay the first \$2 towards the cost of their trip. The fare increased to \$3.25 in October 2025. These services are estimated to carry 234,200 monthly riders in 2025.



**Table 35. Pace Rolling Stock - Active Fleet on December 31, 2024**

Fixed Route (Fully Accessible)				
Manufacturer	Model Year	# of Vehicles	Age	Length
EIDorado	2007	31	18	30'
EIDorado	2008	11	17	30'
EIDorado	2009	11	16	30'
EIDorado	2010	22	15	30'
Orion Hybrid	2011	2	14	30'
EIDorado	2011	4	14	30'
EIDorado	2013	46	12	40'
MCI	2013	12	12	40'
EIDorado	2014	25	11	40'
EIDorado	2015	38	10	40'
MCI	2015	8	10	40'
EIDorado CNG	2015	16	10	40'
EIDorado	2016	68	9	40'
EIDorado	2017	80	8	40'
EIDorado Trolley	2017	7	8	30'
EIDorado CNG	2017	57	8	40'
MCI	2017	7	8	40'
EIDorado CNG	2018	9	7	40'
EIDorado CNG	2020	4	5	40'
New Flyer	2020	82	5	40'
EIDorado	2020	21	5	30'
MCI	2021	7	4	40'
EIDorado	2022	36	3	30'
Coach Phoenix	2023	4	2	28'
<b>Total</b>		<b>608</b>		
Average Age			9.0 years	

Vanpool				
Manufacturer	Model Year	# of Vehicles	Age	Length
Dodge Caravan	2012	1	13	17'
Dodge Caravan	2013	14	12	17'
Ford E350	2013	4	12	18'-20'
Dodge Caravan	2016	3	9	17'
Ford Transit	2016	51	9	20'
Dodge Caravan	2017	156	8	17'
Ford Transit	2017	44	8	19'
Ford Transit	2018	72	7	19'
Ford Transit	2020	60	5	18'-19'
Ford Transit	2024	19	1	22'
<b>Total</b>		<b>424</b>		
Average Age			7.4 years	





## Paratransit (Fully Accessible)

Manufacturer	Model Year	# of Vehicles	Age	Length
EIDorado Aerotech	2014	1	11	25'
Champion Challenger	2014	47	11	22'
EIDorado Aerotech	2016	13	9	25'
EIDorado Aerotech	2017	118	8	25'
EIDorado Aerotech	2018	28	7	25'
Coach Phoenix	2022	111	3	28'
Coach Phoenix	2023	95	2	28'
<b>Total</b>		<b>413</b>		
Average Age			5.6 years	

## Community Transit & On Demand

Manufacturer	Model Year	# of Vehicles	Age	Length
Champion Crusader	2009	1	16	21'
Champion Crusader	2012	2	13	21'
Dodge Caravan	2013	3	12	17'
Champion Crusader	2015	11	10	23'
Dodge Caravan	2016	1	9	17'
Ford Transit	2016	7	9	20'
Dodge Caravan	2017	2	8	17'
Champion Crusader	2017	34	8	23'
Ford Transit	2017	6	8	19'
Champion Crusader	2018	3	7	23'
Ford Transit	2018	18	7	19'
Champion Crusader	2019	21	6	21'
Ford Transit	2020	25	5	18'-19'
Ford Transit	2024	1	1	22'
<b>Total</b>		<b>135</b>		
Average Age			7.4 years	



Paratransit vehicle



On Demand vehicle

## Pace System Infrastructure

Pace's Operating Divisions provide inside bus storage for approximately 700 buses with a total building size of over 1.3 million square feet at the locations provided below. Pace also leases Administrative and Operating space. Lastly, Pace contracts with regional municipal and private carriers to supplement Fixed Route and Paratransit Passenger Services.

### Operating Divisions

- Pace Headquarters  
Arlington Heights
- Fox Valley Division  
North Aurora
- Heritage Division  
Plainfield
- McHenry Paratransit Garage  
McHenry
- North Division  
Waukegan
- North Shore Division  
Evanston
- Northwest Division  
Des Plaines
- River Division  
Elgin
- South Division  
Markham
- South Campus  
Centralized Training/Customer Relations Facility  
Markham
- South Campus  
Acceptance Facility  
Markham
- Southwest Division  
Bridgeview
- West Division  
Melrose Park

### Municipal Garages

- City of Highland Park
- Village of Niles

### Leased Premises

- Chicago Paratransit Office  
Chicago
- East Dundee Garage  
East Dundee
- Print Shop  
Elk Grove Village

### Passenger Facilities

Pace has established numerous passenger facilities throughout the region that provide convenient transfers and connections between Pace services and those provided by CTA and Metra. An extensive list of passenger facilities can be found on Pace's website:

[www.PaceBus.com/passenger-facilities](http://www.PaceBus.com/passenger-facilities)

### Transportation Centers

- Aurora Transportation Center
- Bridgeview Transit Center
- Buffalo Grove Transportation Center
- Chicago Heights Transportation Center
- Cumberland Transit Center
- Elgin Transportation Center
- Forest Park Transit Center
- Harvey Transportation Center
- Jefferson Park Transit Center
- Joliet Transit Center
- Midway Transit Center
- Northwest Zetttek Transportation Center  
(Schaumburg)
- Rosemont Transit Center
- Route 59 Transportation Center  
(Aurora/Naperville)

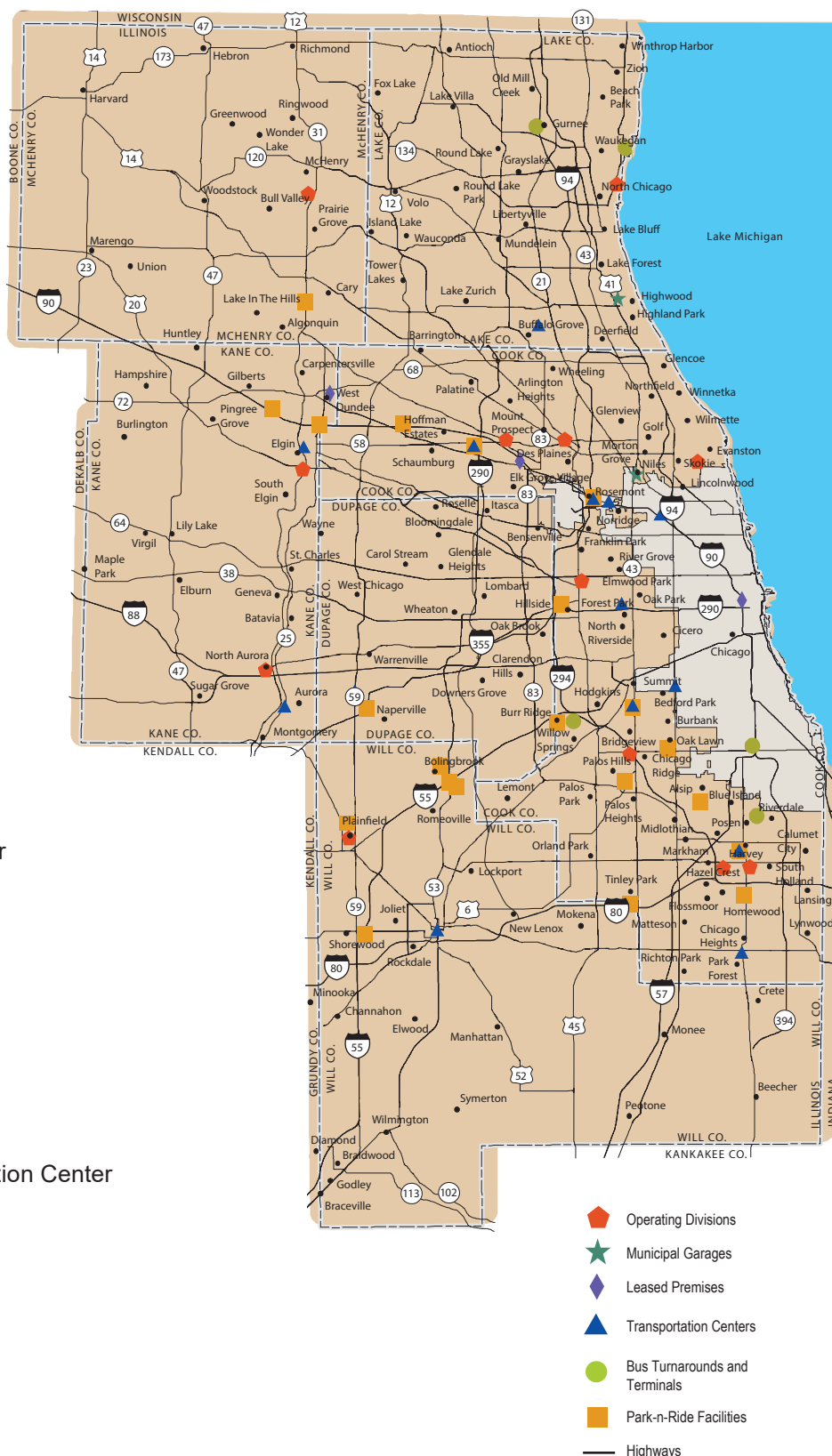
## Pace System Passenger and Support Facilities

### Bus Turnarounds and Terminals

- 95th/Dan Ryan Terminal
- Gurnee Mills Terminal
- Riverdale Turnaround
- UPS Hodgkins Terminal
- Waukegan Terminal

### Park-n-Ride Facilities

- Blue Island
- Bolingbrook - Canterbury
- Bolingbrook - Old Chicago
- Bridgeview Transit Center
- Burr Ridge
- Community Christian Church (Naperville)
- DeVry University (Tinley Park)
- Harvey Transportation Center
- Hillside
- Homewood
- I-90/Barrington Road
- I-90/IL 25
- I-90/Randall Road
- IDOT Shorewood
- McHenry DOT
- Northwest Zetek Transportation Center (Schaumburg)
- Oak Lawn Metra
- Palos Heights Metra
- Plainfield
- Rosemont Transit Center
- White Fence Farm (Romeoville)



## Appendix B • Ridership & Fares

### Ridership

The following table identifies projected ridership changes by operating element for 2024 through 2028.

Table 36. 2024–2028 Ridership Projections (000s)									
	2024 Actual	2025 Estimated	% Change	2026 Projected	% Change	2027 Projected	% Change	2028 Projected	% Change
Pace Divisions	16,402	16,515	0.7%	18,141	9.8%	18,141	0.0%	18,141	0.0%
Public Carriers	247	265	7.3%	265	0.0%	265	0.0%	265	0.0%
Private Carriers	321	321	0.0%	321	0.0%	321	0.0%	321	0.0%
<b>Total Fixed Route</b>	<b>16,970</b>	<b>17,101</b>	<b>0.8%</b>	<b>18,727</b>	<b>9.5%</b>	<b>18,727</b>	<b>0.0%</b>	<b>18,727</b>	<b>0.0%</b>
Demand Response*	678	738	8.8%	930	26.0%	947	1.8%	966	2.0%
Vanpool	534	538	0.7%	574	6.7%	574	0.0%	574	0.0%
<b>Suburban Service Total</b>	<b>18,182</b>	<b>18,377</b>	<b>1.1%</b>	<b>20,231</b>	<b>10.1%</b>	<b>20,248</b>	<b>0.1%</b>	<b>20,267</b>	<b>0.1%</b>
Regional ADA Paratransit*	4,859	6,480	33.4%	7,143	10.2%	7,287	2.0%	7,432	2.0%
<b>Combined Pace Service</b>	<b>23,041</b>	<b>24,857</b>	<b>7.9%</b>	<b>27,374</b>	<b>10.1%</b>	<b>27,535</b>	<b>0.6%</b>	<b>27,699</b>	<b>0.6%</b>

\*Ridership includes companions and personal care attendants





### Ridership & Fares

#### *Suburban Service Ridership*

Pace Suburban Service ridership is estimated to finish the year 1.1% above 2024 levels. Fixed route and Vanpool ridership are expected to finish the year 0.8% and 0.7% above 2024 levels, respectively while Demand Response is expected to grow 8.8% over prior year levels.

For 2026, total Suburban Service ridership is expected to increase 10.1% from 2025 levels, in line with fixed route and On Demand service enhancements planned for 2026. Fixed route ridership is expected to grow 9.5% and Demand Response is expected to grow 26.0%, while Vanpool participation is expected to increase 6.7%.

After the additional service added in 2026, no growth in fixed route ridership is expected in 2027 or 2028. Vanpool ridership is also expected to stay flat to 2026 levels in both out-years while Demand Response ridership is expected to grow 1.8% in 2027 and 2.0% in 2028.

#### *Regional ADA Paratransit Ridership*

The Rideshare Access Program (RAP), which uses Transportation Network Companies (TNC) to provide similar

services to the existing Taxi Access Program (TAP), was implemented regionwide in April 2024 and has seen exponential growth since that time, causing the Regional ADA Paratransit program to be significantly over budget in 2025. In response, RTA implemented mitigating actions requiring RAP and TAP rides be capped at 30 rides per month and the fare increased from \$2.00 to \$3.25 per trip. These program restrictions were implemented in October 2025. Total Regional ADA Paratransit ridership, with the mitigating actions, is expected to finish 2025 33.4% above 2024 levels.

With the additional funding expected to be available as a result of SB2111, both TAP and RAP services are fully funded in 2026 and beyond. As such, overall Regional ADA Paratransit service ridership is expected to grow 10.1% in 2026 before settling into a 2.0% growth rate for 2027 and 2028.

#### *Pace Fares*

As required by SB2111, no fare increase is proposed for Pace Suburban Service or the Regional ADA Paratransit program in 2026.





## Fare Structure

Table 37. Fare Structure		
	Current Fares	
	Full Fare	Reduced Fare
Regular Fares		
Cash Fare	\$2.25	\$1.10
Ventra® Fare	2.00	1.00
Transfer to Pace (with Ventra transit value only)	0.30	0.20
Passes		
Pace/CTA 30-Day Pass	\$75.00	\$35.00
Pace/CTA 7-Day Pass	20.00	N/A
Pace/CTA 3-Day Pass	15.00	N/A
Pace/CTA 1-Day Pass	5.00	N/A
Pace 30-Day Pass	60.00	30.00
Regional Connect Pass	30.00	N/A
Student Summer Haul Pass	45.00	N/A
Pace Campus Connection (College Student Pass)		
Valid for One Semester - 5 months		
Purchased in:		
August or January	\$175.00	N/A
September or February	165.00	N/A
October or March	140.00	N/A
November or April	105.00	N/A
December or May	60.00	N/A
Campus Connection - Summer Pass	140.00	N/A
Premium/Other Fares		
Premium Routes*	\$4.50	\$2.25
Transfer from Pace Regular to Pace Premium Routes (with Ventra only)	2.50	1.25
Transfer from CTA to Pace Premium Routes (with Ventra only)	2.50	1.25
Transfer from CTA or Pace to Pace Premium Routes (with Pace/CTA or Pace-only Passes)	2.50	1.25
Pace Premium 30-Day Pass	140.00	70.00
Regional Day Pass	2.50	N/A
Demand Response	Fare based on community policy	
ADA Paratransit		
ADA Paratransit	\$3.25	N/A
Rideshare Access Program	3.25	N/A
Taxi Access Program (Chicago Only)	3.25	N/A
*Premium routes include: 236, 755, 768, 769, 776, 850, 851, 855		

Please visit Pace's website for further information concerning current fares and other special programs.

**Table 38. Monthly VIP & Other Vanpool Services Fare Schedule**

CURRENT VIP FARE SCHEDULE							
Daily Round Trip Van Miles	4 Pass*	5 Pass*	6 Pass*	7-8 Pass*	9-10 Pass*	11-12 Pass*	13-14 Pass*
1-20	\$112	\$99	\$92	\$85	\$73	\$73	\$73
21-30	117	103	96	89	75	73	73
31-40	122	109	102	95	78	73	73
41-50	128	114	107	99	81	73	73
51-60	133	119	111	103	86	75	73
61-70	138	124	116	107	89	77	73
71-80	142	130	121	112	92	79	73
81-90	146	134	125	116	97	81	73
91-100	150	138	129	119	100	85	75
101-110	153	141	132	123	103	87	77
111-120	160	145	136	127	107	89	79
121-130	163	149	140	130	112	91	81
131-140	166	153	144	134	116	94	85
141-150	171	157	148	138	119	97	87
151-160	174	161	151	141	123	99	89

\*The van driver is excluded from this passenger/van count

Fares are based on 21 work/commute days per month (approximately five work/commute days per week). Fares will be adjusted to accommodate van operation which is consistently greater or fewer than 21 work days per month. Passengers commuting three days or less each week have fares set at fifty percent of the fares in Table 38.

Indiana Tollway/Chicago Skyway monthly surcharge is \$6 per passenger.

VanGo fares are set at \$5 per day.



Other Vanpool Service Monthly Fares	
Program	Current Fare
Advantage	\$250
Not-For-Profit Shuttle	250
Employer Shuttle	600
VIP Metra Feeder/Per Rider	58

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## Demographic Profiles of Pace Users



The summary demographic profiles of Pace users, as based on our research, is presented in Table 39.

Research indicates that Pace users earn significantly less than the regional average and nearly half do not own an automobile. This underscores the critical role Pace plays in getting residents to jobs. About 63% of Pace riders use the service to get to work. Without Pace services and without an automobile, many of our residents would not be able to get to work.

Table 39. User Demographic Profiles

<b>Age in Years</b>	
Group Median	42.3
<b>Sex:</b>	
Male	50%
Female	48%
Prefer to self-describe	2%
<b>Education</b>	
Some high school or less	8%
High school graduate	25%
Some college or technical school	29%
College graduate	27%
Graduate or Professional Degree	12%
<b>Total Annual Household Income</b>	
Group Median	\$33,940
<b>Auto Ownership</b>	
None	49%
One	29%
Two or more	22%
<b>Ethnic Background</b> <i>(multiple responses apply)</i>	
African American	40%
Asian	9%
Hispanic	27%
Caucasian	24%
Other	7%

**Data Source**

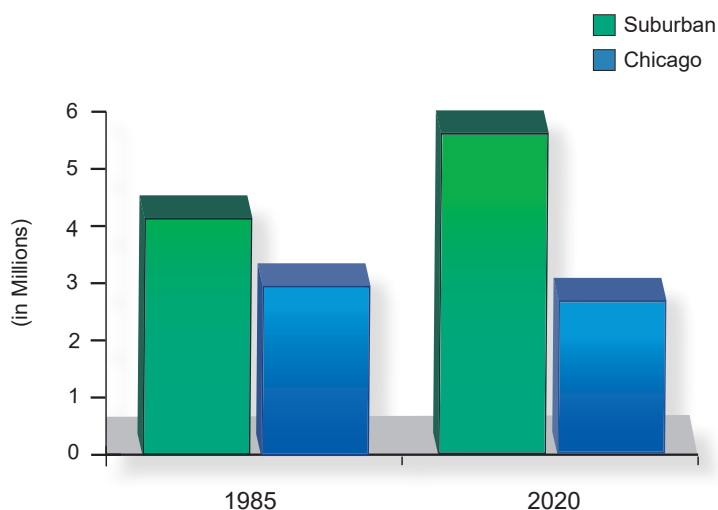
2025 Customer Satisfaction Survey, sample size = 5,084

## Regional Population

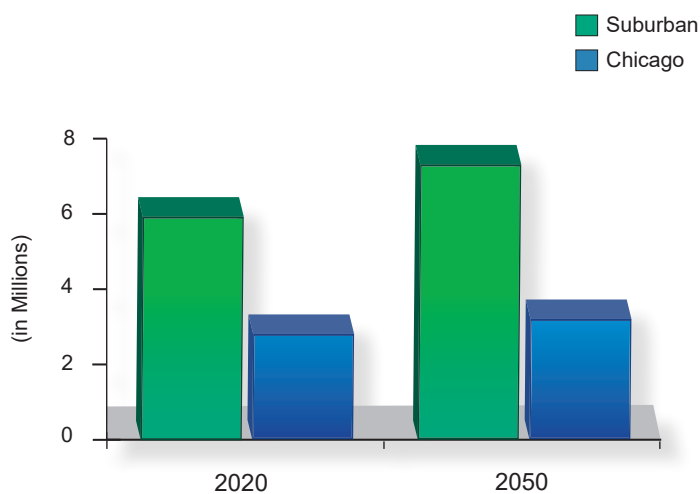
### Population

The suburban population has continued to increase over the past few decades, continuing to outpace Chicago's population. There are now 5.7 million suburban residents to serve, nearly twice the population of Chicago. The city's population has dropped 8% since 1985, while suburban population has grown 37% in that same timeframe. The region's population distribution looks quite different than it did when Pace was created 40 years ago.

**CHART B. 1985 to 2020 Regional Population**



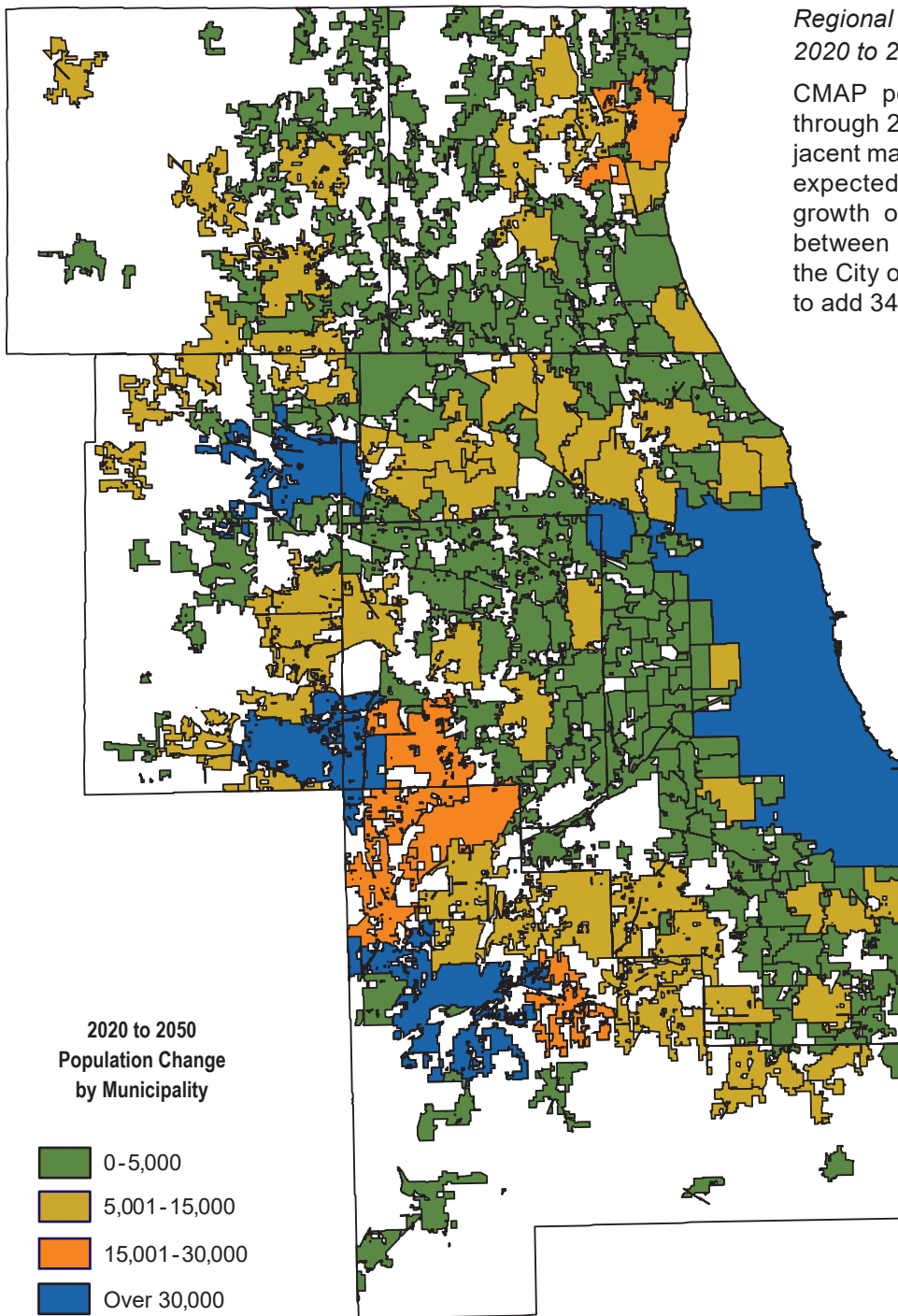
**CHART C. 2020 to 2050 Regional Population Projection**



### Regional Population Change 2020 to 2050

The Chicago Metropolitan Agency for Planning (CMAP) provides official 35-year (2015 to 2050) population forecasts for the region. These forecasts project population growth rates and patterns. According to CMAP, the regional population is expected to increase by 1.7 million people between 2020 and 2050 to 10.6 million. CMAP projects the number of residents between 65 and 84 years of age will increase over 38% between 2020 and 2050. Furthermore, the number of residents in the region over 85 years of age is projected to increase 171% during the same time period. Between 2020 and 2050, 1.4 million new residents will be added to Pace's service region, while Chicago's population will increase by 0.3 million new residents.





## *Regional Population Change 2020 to 2050*

CMAP population growth forecasts through 2050 are depicted on the adjacent map. Suburban Cook County is expected to experience population growth of nearly 0.4 million people between 2020 and 2050, followed by the City of Chicago which is expected to add 347,000 residents by 2050.

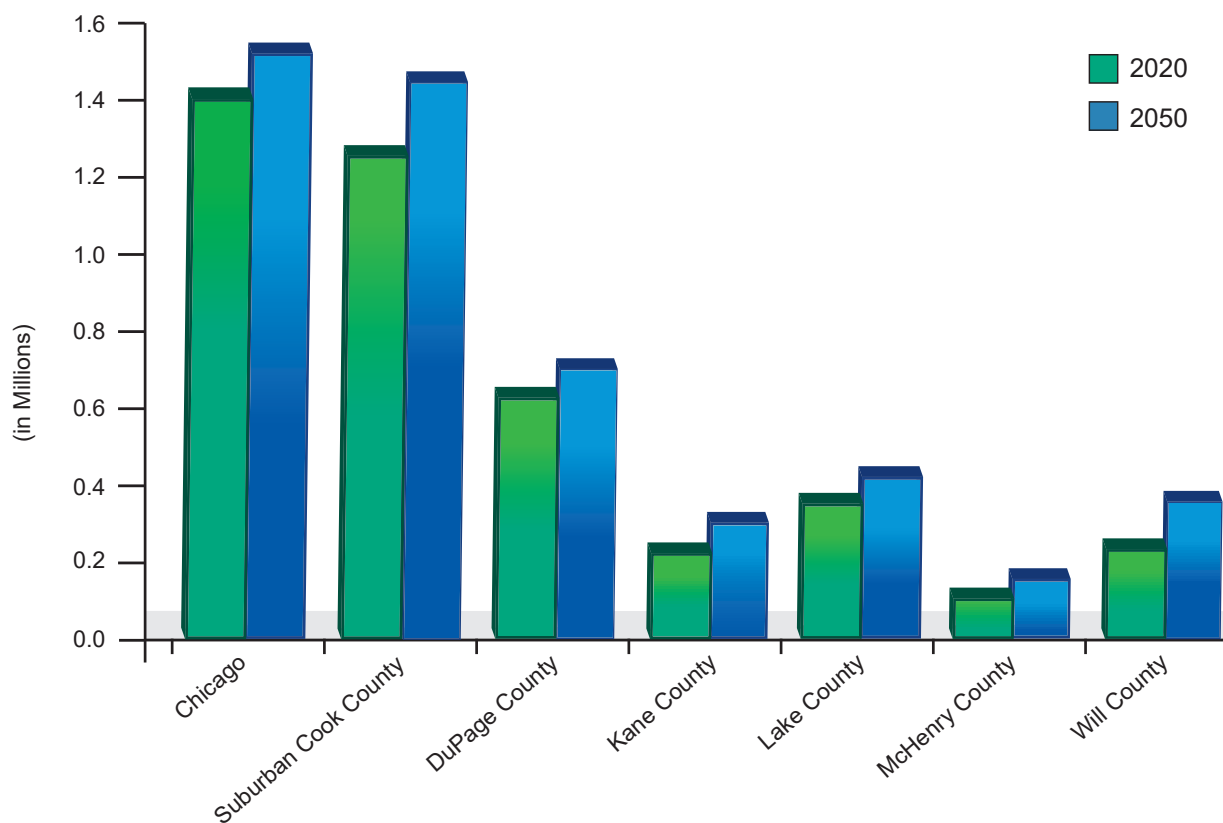
## Regional Employment

### Employment

The Chicago Metropolitan Agency for Planning (CMAP) forecast anticipates an increase of 0.7 million jobs in the region by 2050, of which 0.6 million will be added to the suburban areas. As a percentage of 2020 employment, Will County's increase is projected to be the greatest at 55%, followed by McHenry County (45%) and Kane

County (35%), representing an increase of 252,000 jobs. Suburban Cook County's projected employment growth (197,000) is the largest in absolute terms followed by growth in Will County (128,000), Chicago (123,000), and Kane County (78,000).

CHART D. 2020 to 2050 Employment Projection





### Travel & Congestion

#### Travel Patterns

According to Texas Transportation Institute's *2023 Urban Mobility Report*, traffic is back to pre-Covid level. In 2022, the Chicagoland area was ranked fourth nationally behind Los Angeles, New York, and Miami for the longest travel delay due to traffic congestion. As a result of traffic congestion during the peak periods, our residents consume an extra 127 million gallons of fuel, at a cost of \$1,675 per auto commuter annually, just sitting in traffic.

The regional cost of traffic congestion reaches \$8.26 billion annually when factoring in lost time and wages, increased shipping costs, and fuel wasted. More than 306 million

hours of travel delay time are lost in the region annually according to the report.

The impact congestion has on the regional economy underscores the need for increased public transportation. Without it, traffic congestion will continue to worsen as it has since 1982, and the cost in wasted time and fuel will continue to rise.

Regional studies such as the RTA's *Moving Beyond Congestion* have documented that for every \$1.00 invested in improving transit, the region saves \$1.50 on transportation costs.



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### Pace Goals & Performance Measures

*Driving Innovation*, Pace's strategic plan, established updated agency-wide goals which support the core business purpose of providing excellent public transportation service that is:

- Safe
- Accessible
- Responsive
- Equitable
- Productive

Table 40 identifies the measures and performance standards that Pace has established for each goal. Actual performance for 2024, projected performance for 2025, and 2026 goals are identified. Performance standards marked with an asterisk (\*) are in the process of being further evaluated and those shown are preliminary.

Results that meet or exceed the performance standards are shown in green. Those that fall within 10% of meeting the standard are shown in yellow. Performance more than 10% below the standard is indicated in red.

In addition to these goals and performance standards, this appendix provides comparative performance data for Pace's peer groups.



*A rider thanked Pace for “all the excellent drivers” on our staff.*

*Another rider said they appreciated how their operator was extremely knowledgeable about her route and routes located nearby.*

*A first-time rider from New York who took the Pulse Dempster bus from O'Hare Airport said he will take this bus again when he visits the area because it was an extremely convenient and safe option for traveling to and from the airport.*



**Table 40. Pace Goals & Performance Measures**

<b>Safety:</b> Operate and maintain a system that prioritizes safety					
Measure:	Performance Standard	2024 Actual	2025 Estimate	2026 Projected	
Accidents per 100,000 Revenue Miles	Less than 5	0.29	0.32	0.26	
<b>Accessibility:</b> Maximize transit access for residents and employers					
Measure:	Performance Standard	2024 Actual	2025 Estimate	2026 Projected	
On-Time Performance	Greater than 85%	67.80%	66.78%	70.00%	
Actual Vehicle Miles per Road Call	Greater than 14,000	12,537	9,231	14,433	
Percent Missed Trips per Total Trip Miles	Less than 0.50%	1.08%	0.72%	0.50%	
<b>Responsiveness:</b> Provide superior experiences for all customers					
Measure:	Performance Standard	2024 Actual	2025 Estimate	2026 Projected	
Complaints per 100,000 Passenger Miles	Less than 4	5.07	5.80	5.50	
<b>Equity:</b> Support an inclusive transit system that provides connections and prioritizes communities of highest need					
Measure:	Route Type:	Performance Standard	2024 Actual	2025 Estimate	2026 Projected
Peak Vehicle Load	Minority Routes	Less than 1.25	0.21	0.20	0.22
	Non-Minority Routes	Less than 1.25	0.25	0.24	0.26
Off-Peak Vehicle Load	Minority Routes	Less than 1	0.17	0.16	0.18
	Non-Minority Routes	Less than 1	0.19	0.18	0.20
Meet Peak Headway Standard	Minority Routes	100% compliance	98.90%	98.90%	99.00%
	Non-Minority Routes	100% compliance	97.60%	97.60%	98.00%
Meet Off-Peak Headway Standard	Minority Routes	100% compliance	100.00%	100.00%	100.00%
	Non-Minority Routes	100% compliance	96.80%	96.80%	97.00%
<b>Productivity:</b> Efficiently move large numbers of passengers					
Measure:	Performance Standard	2024 Actual	2025 Estimate	2026 Projected	
Ridership	Increase from prior period	13.81%	0.78%	9.50%	
Ridership per Revenue Hour	Greater than 24*	12.78	12.38	12.43	
Ridership per Revenue Mile	Greater than 1.5*	0.72	0.70	0.70	
Passenger Miles per Revenue Mile	Greater than 9*	4.27	4.12	4.15	
Revenue Miles per Revenue Hour	Greater than 17	17.67	17.71	17.67	

\*Performance standard under evaluation

Below performance standard
  Within 10% of performance standard
  Meets/exceeds performance standard

## Peer Performance Comparison

The following analysis compares Pace's performance to a select group of transit agency peers. The RTA selected the peer group for Pace based on what they identified as similar service characteristics—operating in suburban areas, providing comparable amounts of service levels, and contracting with private providers for some of the service.

The RTA's peer group includes the following systems:

- Alameda-Contra Costa Transit District (AC Transit)  
Alameda & Contra Costa Counties, CA
- Broward County Transit (BCT)  
Broward County, FL
- Orange County Transportation Authority (OCTA)  
Orange County, CA
- Santa Clara Valley Transportation Authority (VTA)  
Santa Clara County, CA
- Montgomery County Transit Services (Ride On)  
Montgomery County, MD



Performance was measured against six performance criteria, as reported by the Federal Transit Administration (FTA) in their National Transit Database (NTD). The following performance measures were reviewed:

### *Service Efficiency*

- Operating Expense per Revenue Hour
- Operating Expense per Revenue Mile

### *Cost Effectiveness*

- Operating Expense per Passenger
- Operating Expense per Passenger Mile



### *Service Effectiveness*

- Passengers per Revenue Hour
- Passengers per Revenue Mile



The following charts were prepared using 2023 National Transit Database (NTD) data for bus only, which is the latest data available as of this writing.

# Appendix D • Performance Measures

## Peer Performance Comparison

### Service Efficiency

CHART E. Operating Expense per Revenue Hour

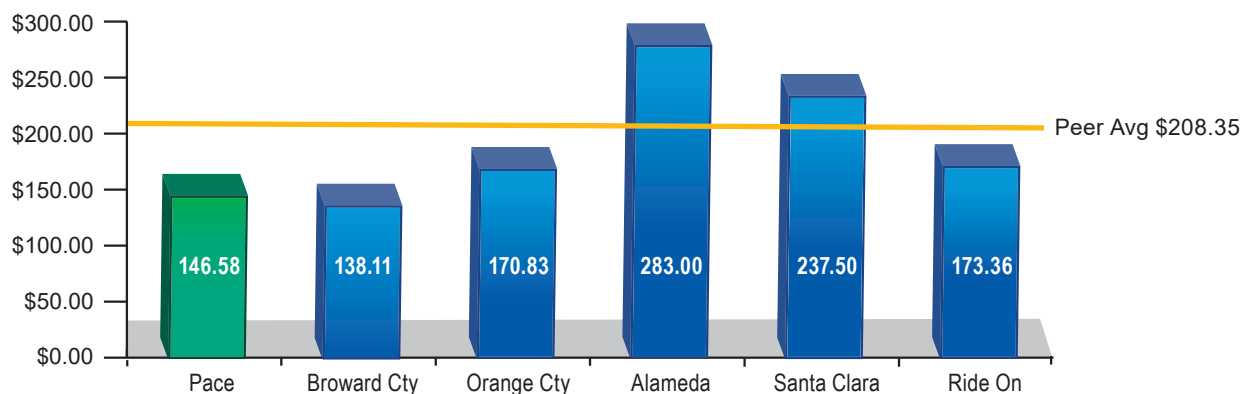


CHART F. Operating Expense per Revenue Mile

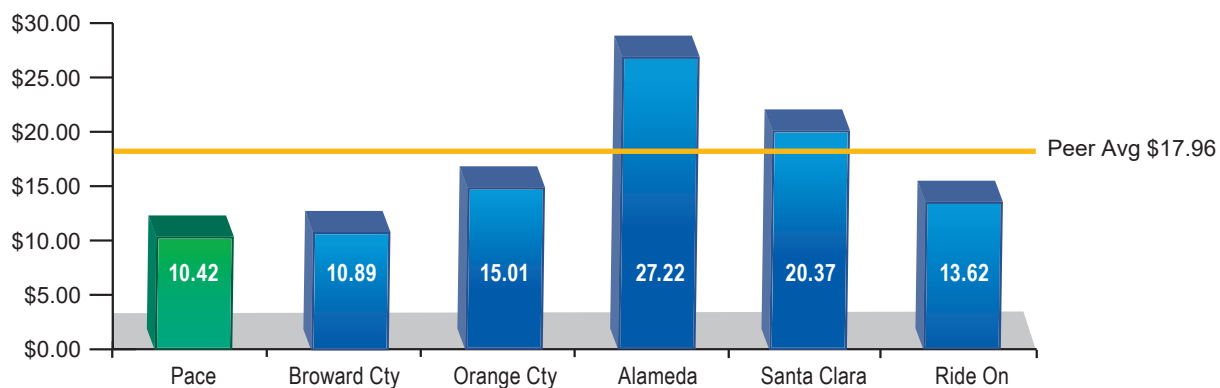


CHART E - Service efficiency, as measured by the performance ratios of operating expense per total revenue hour and revenue mile, shows Pace to be more efficient than the peer average. At \$146.58, Pace's cost is \$61.77 per hour or 29.65% less than the peer average for this performance measurement category.

CHART F - At \$10.42, Pace is \$7.54 per mile or 41.98% below the peer average.

## Cost Effectiveness

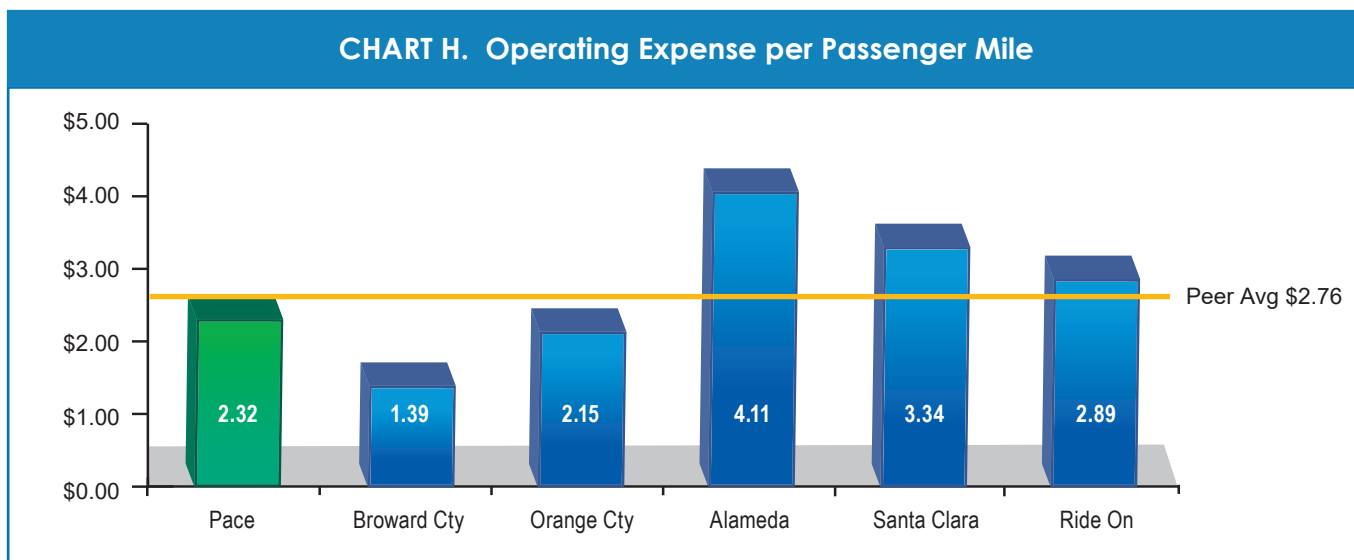
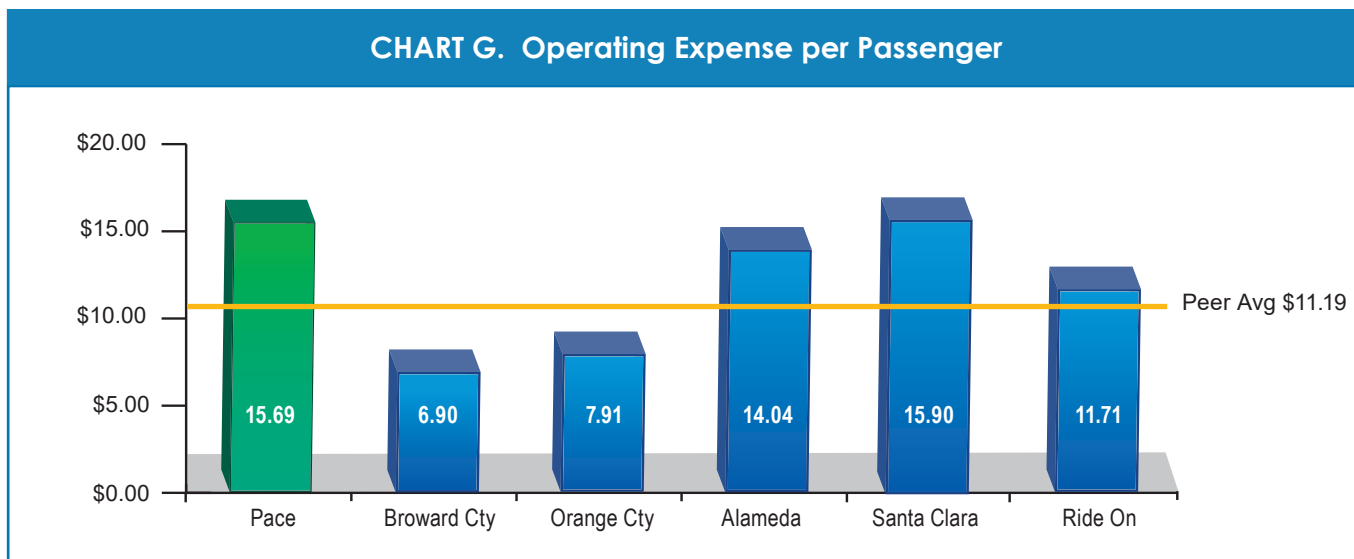


CHART G - Cost effectiveness, as measured by the performance ratio of operating expense per passenger, shows Pace to be consistent with the agencies within this peer group.

CHART H - At \$2.32, Pace's expense per passenger mile is below the peer average by \$0.44 or 15.94%. Pace's low cost structure combined with high passenger miles contributes to this result.

## Service Effectiveness

CHART I. Passengers per Revenue Hour

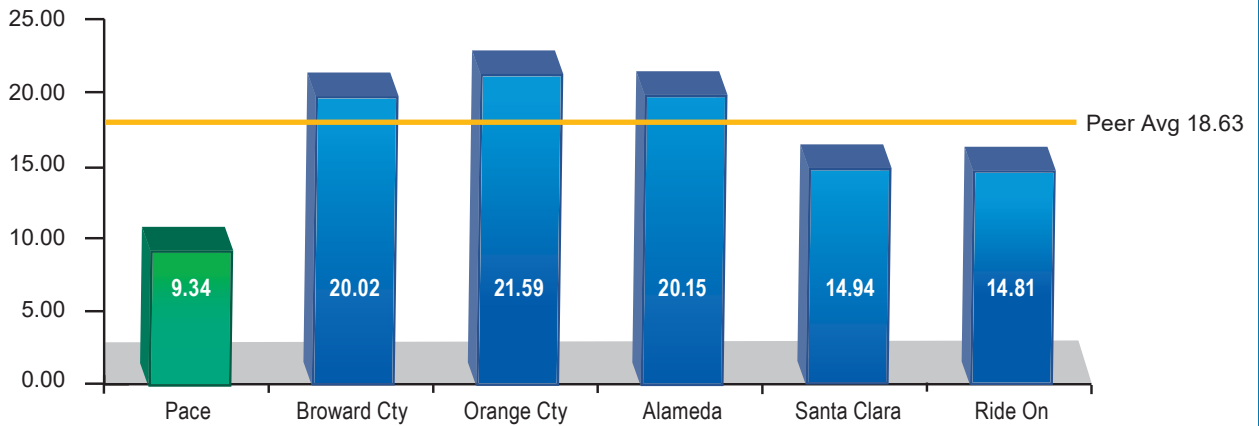
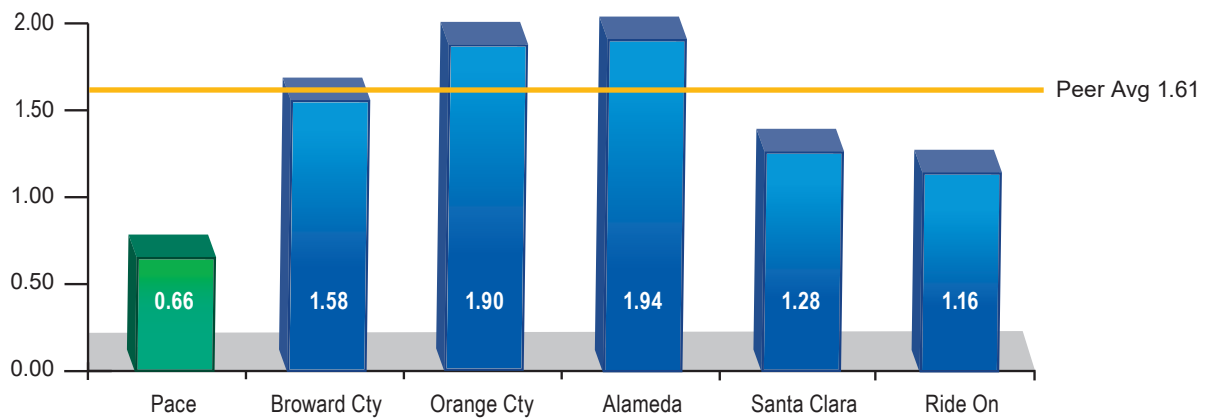


CHART J. Passengers per Revenue Mile





## Farebox Recovery Ratio

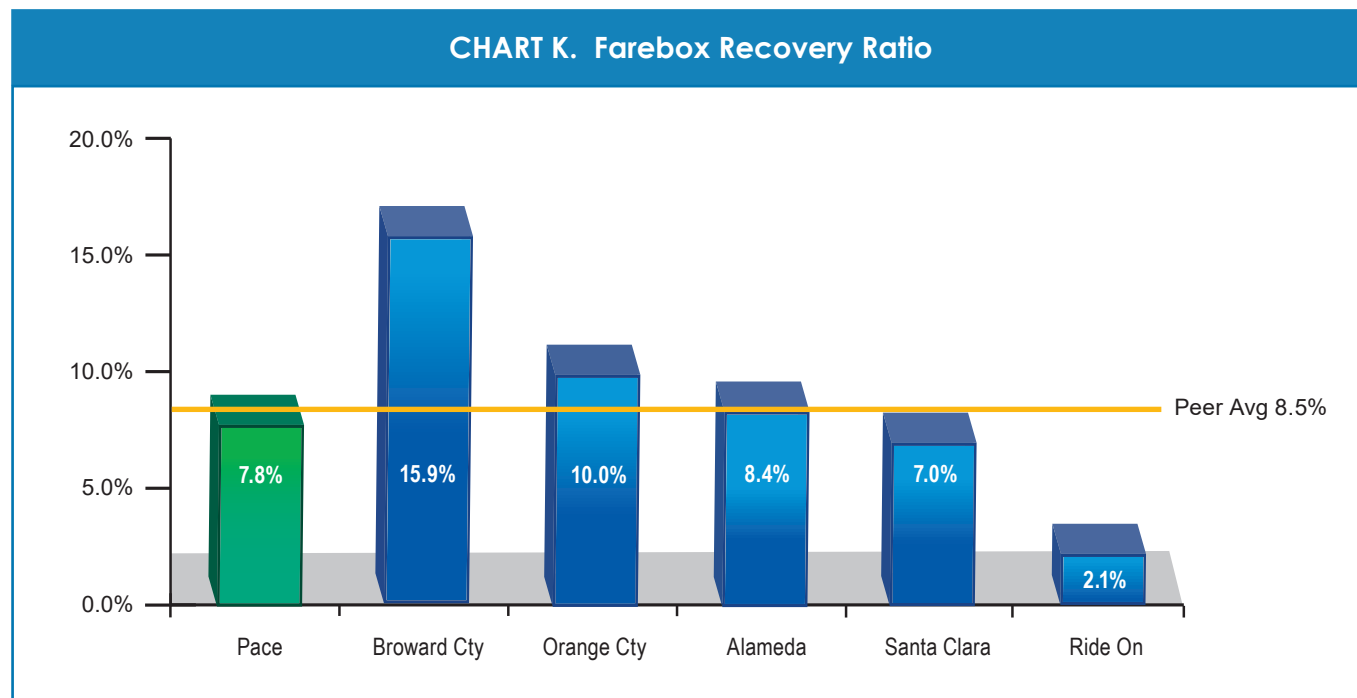


CHART I - Service effectiveness, as measured by passengers per total revenue hour and passengers per total revenue mile, shows Pace to have the lowest performance ratio compared to all agencies. The size of Pace's service area directly affects this performance indicator. At nearly 3,500 square miles, Pace serves the largest and lowest population density service area of all peers in this group.

CHART J - Pace has the lowest number of passengers per total revenue mile compared to the peer group. Pace's large service area, combined with lower population density than its peers, contributes to this result.

CHART K - Pace's bus only farebox recovery ratio of 7.8% is consistent with the agencies within this peer group.

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### Reimagining Public Transportation

#### *Driving Innovation*

In September 2021, Pace adopted a new strategic vision plan called *Driving Innovation*. This plan establishes the agency's vision for its future and identifies 20 strategic initiatives that Pace is committed to either implementing or further investigating in the coming years.



Since the plan's adoption, Pace has invested substantial resources in several innovative projects supporting *Driving Innovation* initiatives. Pace's primary focus has been on the Agency Priority Initiatives outlined in the plan. Historic capital investments in new garages, passenger facilities, and rapid transit lines highlight Pace's steadfast dedication to reimagining our region's transit network.

*Driving Innovation* calls for new fixed route transit investments in the highest demand markets, while concurrently harnessing technology and new mobility solutions to provide less expensive yet more effective coverage services in lower-demand areas. The plan encourages communities

to upgrade land uses, pedestrian environments, and development patterns that make public transit a more attractive and convenient option. Perhaps most critically, Pace is committed to becoming an agency operating a 100 percent zero-emission fleet by 2040. In 2026, Pace will continue efforts to procure electric vehicles and to ensure that forthcoming capital investments are designed to handle this new technology. Additionally, Pace continues to advance two of the key strategic initiatives in *Driving Innovation*, the Network Revitalization & Systemwide Restructuring Initiative and the Service Standards Framework.

More information on the *Driving Innovation* plan can be found on Pace's website at:

[www.PaceBus.com/driving-innovation](http://www.PaceBus.com/driving-innovation)

#### *Project Zero*

In 2022, Pace initiated Zero Emissions Fleet and Facility Transition Plans, as called for under the first of the Agency Priority Initiatives outlined in *Driving Innovation*. This effort coordinates future and existing capital projects with ongoing zero emissions fixed route bus purchases to ensure Pace facilities are able to support zero emissions buses as they enter the fleet. The plan employs a data-driven approach to evaluate how garage maintenance facilities will be used to support service plans and other strategic initiatives that will allow Pace to operate a zero emissions fleet by 2040.

In December 2022, Pace released "Project Zero: Zero Emission Fleet Transition Plan" and a companion plan, "Project Zero: Zero Emissions Facility Transition Plan," was released in March 2024. This facility plan allows Pace to prepare for the costs and operational logistics of new vehicle technologies and associated capital needs, as the agency seeks funding to support this historic shift in its operations.

Pace began to meet this challenge by kicking off the first phase of facility improvements at North Division in Waukegan. Scheduled for completion in the fourth quarter of 2025, these improvements will support an initial battery electric bus fleet of 12 vehicles. Also in 2025, Pace kicked off the second phase of facility improvements at North Division, which will support a fully electric bus fleet of 60 vehicles by 2027. Pace also installed support infrastructure for zero-emission vehicles at the new South Campus acceptance facility and is in Phase 2 Engineering for the expansion and modification of River Division to support zero-emission fixed route and paratransit fleets. Finally, in July 2025, the Pace Board of Directors authorized the

purchase of 27 new 40-foot battery-electric buses from Gillig, LLC. The Board also approved Pace's work with the Chicago Transit Authority (CTA) on a joint procurement of battery-electric buses.

More information on Pace's Zero Emissions Commitment and associated fleet and facilities electrification work can be found on Pace's website at:

[www.PaceBus.com/zero](http://www.PaceBus.com/zero)

### *Pulse Network*

Pace's Pulse network is a series of arterial-based bus rapid transit services planned throughout the agency's service area.

The Pulse Milwaukee Line, which connects the Jefferson Park Transit Center in Chicago with the Golf Mill Shopping Center in Niles, marked its sixth year of operation, while the Pulse Dempster Line, which connects downtown Evanston and O'Hare Airport, entered its second year of operation. Since Pulse Dempster service launched in late October 2023, there are now well over 300,000 riders in the corridor per quarter. The \$10.5 million investment in transit infrastructure along the corridor was funded by a federal Congestion Mitigation Air Quality (CMAQ) grant. Pace was also awarded an additional \$15.8 million in CMAQ funding to operate the first three years of expanded service.

Pace has advanced to final design on both the Pulse Halsted and 95th Street Lines. The Pulse Halsted Line will run between the CTA Red Line 95th/Dan Ryan Station in Chicago and the Pace Harvey Transportation Center in Harvey using 95th and South Halsted. This future Pulse line has 16 proposed stations and designs include dedicated

bus-only and queue-jump lanes in portions of the corridor as well as transit signal priority.

In 2023, the Pulse Halsted Line was awarded a \$0.5 million grant through Cook County's Invest in Cook Program to fund a portion of the design work and an additional \$20.0 million federal discretionary grant was secured to help fund construction. This project was also awarded \$12.1 million from CMAP's Carbon Reduction Program.

The Pulse 95th Street Line will span approximately 13 miles and operate between the CTA Red Line 95th/Dan Ryan Station in Chicago and Moraine Valley Community College in Palos Hills. Both design and construction of the Pulse 95th Street Line is funded by a \$17.1 million CMAQ grant. Additionally, the combined investments from the RTA and federal government will fund the installation of transit signal priority in this corridor.

In the summer of 2025, the fifth line in the Pulse network, the Pulse Cermak Road/22nd Street Line, entered environmental review and Phase I design. This phase will result in the project satisfying all requirements of the National Environmental Policy Act (NEPA) to be eligible for federal funding and will produce a design report to support the project's proposed transit priority treatments, including queue-jump and bus only lane segments. Pace is working closely with IDOT and the FTA to carry out the required steps. To fund a portion of this work, Pace applied for and was awarded a \$0.5 million grant from Cook County's Invest in Cook Program. It is anticipated that this work will be complete by the fall of 2026.

More information on the Pulse Program can be found on Pace's website at:

[www.PaceBus.com/pulse](http://www.PaceBus.com/pulse)





### *ReVision: Pace's Network Restructuring Initiative*

Pace's strategic plan, *Driving Innovation*, identified the need to conduct a systemwide restructuring initiative to better understand current and future travel needs, that creates a framework to guide service investments, and recommends systemwide service improvements. To help accomplish this task, Pace hired a consultant to conduct the Network Revitalization & Systemwide Restructuring Initiative, which Pace has branded as *ReVision*.

Pace's fixed route system is tasked with serving approximately 5.7 million residents over a 3,600 square mile service area. This is comparable to transit agencies that are responsible for serving entire states. Yet compared to peer agencies, Pace has historically had extremely limited resources. As a result, this has led to low service levels and large service gaps throughout the region.

The passage of Senate Bill 2111 by the Illinois General Assembly is expected to provide approximately \$1.2 billion of additional annual funding to support more frequent and reliable transit service throughout Northeastern Illinois. Pace has a firm belief that a portion of the additional funding should be dedicated to increasing service options throughout the suburbs. Now more than ever, there is a need to develop a more robust regional service network that is based on market demand and provides the appropriate level of service to each travel market. *ReVision* will address these needs.

*ReVision* will also enable Pace to continue to use public resources in an efficient manner across the region, ensure future expansion of the system to meet emerging demand markets, and proactively contribute toward climate sustainability and regional social equity.

Major components of *ReVision* include: a review of current Pace services; conducting a systemwide market analysis assessment to understand current and future travel markets and demand; creating a service standards framework; developing various service concepts and infrastructure recommendations; service design; completing a Title VI analysis; and establishing an implementation plan and timeline.

An extensive outreach program is included throughout all phases of the initiative. The process will engage the public to reimagine how transit service will be provided in the future. This input will be used to design alternatives for restructuring the entire Pace service network.

In late 2024, Pace collected feedback from residents and stakeholders on the *ReVision* network concepts in order to help guide the creation of a draft network plan. The draft network plan will also be based on the additional regional transit funding that Pace is expected to receive. Once a draft network plan has been developed, it will then be refined into a final proposed network plan. Additional rounds of public outreach will occur at each stage. In 2026, work products for *ReVision* will include the development of a draft network plan, the Service Standards Framework and the creation of the final network plan.

Concurrent with *ReVision*, Pace will continue to review and make service changes, as needed, throughout the region. There will be a continued focus on efforts to increase the frequency and hours of service on weekdays, Saturday, and Sunday on the busiest routes. This includes service investments in future Pulse corridors and other key regional arterial bus routes. Other improvements that enhance operational efficiencies and the customer experience, such as adjusting trip times to make better transit connections or improve on-time performance, will also be made.

Investments in technology will also be a focus in 2026. To improve scheduling practices, Pace will update its fixed route scheduling software. This update will include the incorporation of electric vehicle scheduling capabilities to help facilitate Pace's transition to zero emission buses.

### *Shared Use Mobility Projects*

As identified in *Driving Innovation*, shared mobility services offer an opportunity to supplement existing Pace service and fill in service gaps, while ensuring great stewardship of taxpayer funds. Funding partnerships with other agencies will allow Pace to continue to implement new shared use mobility pilots. Through Cook County's Invest in Cook Program, Pace received a grant award to fund the expansion of the Arlington Heights-Rolling Meadows On Demand service. This pilot program will begin sometime in late 2025/early 2026 to extend the boundaries of the zone and include an additional vehicle to support increased transit access.

In 2026, Pace will continue to leverage technology to power many of the shared use mobility services the agency operates. Some technological upgrades include forward facing passenger projects such as a booking website redesign that aims to improve the booking experience for



passengers using Pace On Demand services and back-end facing administrative projects that aim to improve the management experience for dispatchers and administrative staff. To continue to improve the experience for passengers, Pace will investigate technology upgrades that streamline information and increase real time data availability, while also reducing operating expenses for the agency.

Work continues to proceed on the Mobility as a Service (MaaS) program with new service integrations and upgrades to existing services such as Pace On Demand. These integrations will continue to make it easier for passengers to find their options in one place and become more familiar with Pace's service offerings. Pace will continue to explore how we can improve trip planning for passengers and enable them to learn about services in one place.

### *Transportation Innovation and Technology Program*

The goal of the Transportation Innovation and Technology Program is to use the latest technology to provide an advantage to transit on the region's roadways by creating connected and automated infrastructure with a specific emphasis on an increase in speed and reduction in delay to transit vehicles. This planned technology uses communication to roadside infrastructure that is connected and automated.

When Pace vehicles can communicate with roadways, they can get an advantage over regular car traffic and become more attractive to commuters who have a choice between driving and taking transit.

For years, Pace buses have benefitted from our Transit Signal Priority (TSP) system, which extends green lights or shortens red lights for buses. This technology, deployed in collaboration with state and county departments of transportation, results in reduced delays at signalized intersections, increased speed, improved schedule adherence, and reliability—hence a more attractive transit service.

Pace already deployed the TSP system for the Pulse Milwaukee Line, Pulse Dempster Line, and on Roosevelt Road, Grand Avenue (Lake County), portions of 95th Street, Sibley Boulevard/147th Street and Cicero Avenue.

Installation of TSP equipment is currently underway on Cermak Road. Pace plans to deploy TSP along seven additional corridors including: Golf Road, Rand Road, 159th Street, Western Avenue, Harlem Avenue, North Avenue and Washington Street.

Pace is currently working on proof-of-concept deployment for a regionwide centralized TSP system as part of the Illinois Department of Transportation's Advanced Traffic Management Center and plans to expand the centralized TSP system to an additional 300 signals along identified TSP corridors.

### *Fare Collection and Data Analysis Initiatives*

Pace and CTA introduced the Ventra® fare system in 2013, with Metra joining in 2015, making it an integrated regional fare system. While in many ways it is still a state-of-the-art fare payment and collection system, additional improvements and upgrades are needed to keep current with changing needs.

The technology for the Ventra platform will see a significant change in the coming year. Ventra 3.0, with new software and hardware, will undergo pilot testing in late-2025 with the goal of launching this new system in mid-2026. Ventra 3.0 will be better able to seamlessly integrate fare products for Pace, CTA, and Metra. As part of this upgrade, a new driver's terminal will be incorporated with the farebox and integrated with Ventra. This will allow for more accurate counts of ridership and revenue, as well as requiring fewer road calls and repairs.

The Ventra 3.0 upgrade will also enable the Service Boards to more quickly respond and react to changes in fares and fare policies, as it will be easier to add different modes and different fares than ever before.

Together, these fare collection initiatives will allow faster boarding time for customers, more reliable service across the region, and better data for planning and reporting.

Finally, to improve data analysis efforts, software upgrades to multiple reporting tools will allow for better data quality and availability. These upgrades will also make it easier to automate key processes and reports, leading to more accurate and timely information.

## Marketing & Public Engagement

As Pace adapts to meet the region's post-pandemic transportation needs, ridership continued to grow in all markets in 2025, despite a continued challenge with filling bus operator positions. Pace has not been immune to what has been a multi-year, nationwide driver shortage. To that end, the top marketing priority in 2025, as it had been for several years, was to recruit bus operators and maintenance staff. Pace intends to continue the emphasis on that goal in 2026. Pace focused more advertising spending on recruitment than any other subject in 2025 and has been holding weekly open houses at which prospective employees can get hired "on the spot". Those efforts proved fruitful, with 335 new staff hired in the first eight months of 2025. Even so, an even more aggressive effort is needed in 2026 to achieve a full roster of employees.

Pace concluded several major customer satisfaction surveys in 2025, and we are now using that newly collected data to improve both the transit service we provide and how we communicate about that service to the public. Survey efforts were separately undertaken for On Demand riders, vanpool riders, fixed route bus riders, and ADA Paratransit riders. Notably, 98% of vanpool riders are satisfied with the program, with similar positive results in the other service types. In recent years, Pace has implemented several technologies which improve the customer experience for riders, and those investments have proven worthwhile as evidenced by strong approval ratings from riders. Furthermore, the survey data reinforce a need for multilingual communications about Pace services, so we will emphasize that throughout all campaigns in the year ahead.

Pace celebrated its 40th anniversary in 2024–25, and marked the occasion throughout the year with buses traversing streets across the region adorned with a 40th anniversary decal. Pace enlisted local artists to decorate 40 bus stop benches. Those vibrant, creative and comfortable seating options continue to be placed at bus stops throughout the region.

*Hand painted by William Markowski, the bus stop bench shown above is one of 40 benches planned to be installed by the end of 2025.*



Now that our transit system's riders and stakeholders have a solution to the transit "fiscal cliff" from the Illinois General Assembly, progress can continue on several key initiatives. The next step in Pace's *ReVision* plan, slated for early 2026, is to solicit feedback on proposed service plans that lay out options for expanding service overall and modernizing the bus route network throughout northeastern Illinois. As *ReVision* is one of the most important initiatives ever undertaken in Pace's history, and because stakeholder input is critical at every step of the process, considerable emphasis has been and will be placed on public awareness and encouraging participation in the process of expanding and improving the suburban transit network.

Also in the works for 2026 is a marketing campaign to tout the continued expansion of service on our most heavily used routes, some of which have become overcrowded due to post-pandemic ridership growth. Just as we did in 2024, each one of those possible service improvements would see a corresponding public awareness campaign. We also plan further education on the entire family of services Pace offers, as our non-fixed-route options often require more information to show potential customers what is available in their area and how to use those services.

Riders with disabilities have been, and will continue to be, a major focus of Pace's marketing efforts in 2026. In 2025, Pace consistently communicated with this vital audience about the convenience and affordability of fixed route options—including the option for ADA-certified riders to ride free on Pace fixed routes—as well as the benefits of subsidies offered for taxis in Chicago and transportation network company (TNC) trips throughout the region, as part of the Taxi Access Program (TAP) and Rideshare Access Program (RAP). The coming year will also see promotion of additional new technologies that will improve the customer experience for ADA Paratransit riders, along with a longstanding message about the convenience and affordability of fixed route transit service relative to ADA Paratransit.

# Appendix F • Operating Budget Detail

## 2024 Actual Operating Results

2024 ACTUAL PROGRAM, ACTIVITY & OBJECT MATRIX				
	Pace Operating Divisions	Public Carriers	Private Carriers	Demand Response Services
<b>Revenue</b>				
Farebox	\$18,576,793	\$517,085	\$149,495	\$1,482,445
Half-Fare Reimbursement	0	0	0	0
Advertising Revenue	0	0	0	0
Investment Income	0	0	0	0
Other	1,209,549	700,716	824,666	12,021,879
<b>Total Revenue</b>	<b>\$19,786,342</b>	<b>\$1,217,801</b>	<b>\$974,161</b>	<b>\$13,504,324</b>
<b>Operating Expenses</b>				
<b>Operations</b>				
Labor/Fringes	\$96,540,054	\$1,536,289	\$0	\$0
Parts/Supplies	1,471	1,022	0	0
Purchased Transportation	0	549,209	3,898,878	23,506,143
Fuel	0	0	0	0
Other	420,429	10,055	0	0
<b>Total Operations</b>	<b>\$96,961,954</b>	<b>\$2,096,575</b>	<b>\$3,898,878</b>	<b>\$23,506,143</b>
<b>Vehicle Maintenance</b>				
Labor/Fringes	\$21,971,051	\$555,589	\$0	\$0
Parts/Supplies	11,207,595	68,695	0	0
Other	442,696	88,952	0	38,226
<b>Total Vehicle Maintenance</b>	<b>\$33,621,342</b>	<b>\$713,236</b>	<b>\$0</b>	<b>\$38,226</b>
<b>Non-Vehicle Maintenance</b>				
Labor/Fringes	\$836,743	\$0	\$0	\$0
Parts/Supplies	789,890	0	0	0
Other	1,921,072	0	0	71,442
<b>Total Non-Vehicle Maintenance</b>	<b>\$3,547,705</b>	<b>\$0</b>	<b>\$0</b>	<b>\$71,442</b>
<b>General Administration</b>				
Labor/Fringes	\$2,886,318	\$387,020	\$0	\$0
Parts/Supplies	63,509	720	0	0
Utilities	3,058,600	986	0	0
Insurance	0	0	0	0
Health Insurance	0	0	0	0
Other	287,512	289,888	0	0
Indirect Overhead Allocation	0	0	0	0
<b>Total Administration</b>	<b>\$6,295,939</b>	<b>\$678,614</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$140,426,940</b>	<b>\$3,488,425</b>	<b>\$3,898,878</b>	<b>\$23,615,811</b>
<b>Funding Requirement</b>	<b>\$120,640,598</b>	<b>\$2,270,624</b>	<b>\$2,924,717</b>	<b>\$10,111,487</b>
<b>Recovery Ratio</b>	<b>14.09%</b>	<b>34.91%</b>	<b>24.99%</b>	<b>57.18%</b>

## Appendix F • Operating Budget Detail

2024 ACTUAL PROGRAM, ACTIVITY & OBJECT MATRIX					
Vanpool	Administration	Centralized Support	Total Suburban Service	Total Regional ADA Paratransit	Combined 2024 Actual
\$991,118	\$0	\$0	\$21,716,936	\$12,276,965	\$33,993,901
0	1,460,256	0	1,460,256	0	1,460,256
0	774,259	0	774,259	0	774,259
0	14,772,127	0	14,772,127	1,903,984	16,676,111
0	1,114,332	0	15,871,142	1,873,098	17,744,240
<b>\$991,118</b>	<b>\$18,120,974</b>	<b>\$0</b>	<b>\$54,594,720</b>	<b>\$16,054,047</b>	<b>\$70,648,767</b>
\$0	\$0	\$4,959,512	\$103,035,855	\$0	\$103,035,855
0	0	2,230,488	2,232,981	0	2,232,981
0	0	0	27,954,230	251,297,155	279,251,385
637,353	0	12,484,282	13,121,635	7,240,994	20,362,629
931,631	0	0	1,362,115	0	1,362,115
<b>\$1,568,984</b>	<b>\$0</b>	<b>\$19,674,282</b>	<b>\$147,706,816</b>	<b>\$258,538,149</b>	<b>\$406,244,965</b>
\$0	\$0	\$3,725,004	\$26,251,644	\$0	\$26,251,644
0	0	238,888	11,515,178	0	11,515,178
0	0	1,653,661	2,223,535	0	2,223,535
<b>\$0</b>	<b>\$0</b>	<b>\$5,617,553</b>	<b>\$39,990,357</b>	<b>\$0</b>	<b>\$39,990,357</b>
\$0	\$0	\$1,756,913	\$2,593,656	\$0	\$2,593,656
0	0	0	789,890	0	789,890
0	359,170	1,052,164	3,403,848	0	3,403,848
<b>\$0</b>	<b>\$359,170</b>	<b>\$2,809,077</b>	<b>\$6,787,394</b>	<b>\$0</b>	<b>\$6,787,394</b>
\$0	\$24,700,181	\$0	\$27,973,519	\$4,982,715	\$32,956,234
0	163,692	0	227,921	6	227,927
0	1,857,162	0	4,916,748	511,863	5,428,611
0	0	2,522,163	2,522,163	995,542	3,517,705
0	0	26,140,024	26,140,024	806,894	26,946,918
0	17,115,897	9,070,298	26,763,595	3,614,445	30,378,040
0	0	0	(8,078,469)	8,078,469	0
<b>\$0</b>	<b>\$43,836,932</b>	<b>\$37,732,485</b>	<b>\$80,465,501</b>	<b>\$18,989,934</b>	<b>\$99,455,435</b>
<b>\$1,568,984</b>	<b>\$44,196,102</b>	<b>\$65,833,397</b>	<b>\$274,950,068</b>	<b>\$277,528,083</b>	<b>\$552,478,151</b>
<b>\$577,866</b>	<b>\$26,075,128</b>	<b>\$65,833,397</b>	<b>\$220,355,348</b>	<b>\$261,474,036</b>	<b>\$481,829,384</b>
<b>63.17%</b>	<b>41.00%</b>	<b>0.00%</b>	<b>26.31%</b>	<b>10.95%</b>	

# Appendix F • Operating Budget Detail

## 2025 Estimated Operating Results

2025 ESTIMATED PROGRAM, ACTIVITY & OBJECT MATRIX				
	Pace Operating Divisions	Public Carriers	Private Carriers	Demand Response Services
<b>Revenue</b>				
Farebox	\$18,328,740	\$527,690	\$149,451	\$1,827,213
Half-Fare Reimbursement	0	0	0	0
Advertising Revenue	0	0	0	0
Investment Income	0	0	0	0
Other	1,204,266	952,752	642,936	9,232,301
<b>Total Revenue</b>	<b>\$19,533,006</b>	<b>\$1,480,442</b>	<b>\$792,387</b>	<b>\$11,059,514</b>
<b>Operating Expenses</b>				
<b>Operations</b>				
Labor/Fringes	\$106,785,888	\$1,707,069	\$0	\$0
Parts/Supplies	3,997	1,100	0	0
Purchased Transportation	0	577,063	3,572,428	26,105,322
Fuel	0	0	0	0
Other	360,390	13,750	0	0
<b>Total Operations</b>	<b>\$107,150,275</b>	<b>\$2,298,982</b>	<b>\$3,572,428</b>	<b>\$26,105,322</b>
<b>Vehicle Maintenance</b>				
Labor/Fringes	\$25,348,822	\$681,954	\$0	\$0
Parts/Supplies	13,123,867	88,989	0	0
Other	511,285	116,093	0	24,746
<b>Total Vehicle Maintenance</b>	<b>\$38,983,974</b>	<b>\$887,036</b>	<b>\$0</b>	<b>\$24,746</b>
<b>Non-Vehicle Maintenance</b>				
Labor/Fringes	\$1,424,211	\$0	\$0	\$0
Parts/Supplies	874,351	0	0	0
Other	2,265,911	0	0	35,856
<b>Total Non-Vehicle Maintenance</b>	<b>\$4,564,473</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,856</b>
<b>General Administration</b>				
Labor/Fringes	\$4,492,030	\$451,066	\$0	\$0
Parts/Supplies	100,659	720	0	0
Utilities	2,926,791	1,000	0	0
Insurance	0	0	0	0
Health Insurance	0	0	0	0
Other	338,758	220,100	0	0
Indirect Overhead Allocation	0	0	0	0
<b>Total Administration</b>	<b>\$7,858,238</b>	<b>\$672,886</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$158,556,960</b>	<b>\$3,858,904</b>	<b>\$3,572,428</b>	<b>\$26,165,924</b>
<b>Funding Requirement</b>	<b>\$139,023,954</b>	<b>\$2,378,462</b>	<b>\$2,780,041</b>	<b>\$15,106,410</b>
<b>Recovery Ratio</b>	<b>12.32%</b>	<b>38.36%</b>	<b>22.18%</b>	<b>42.27%</b>



## Appendix F • Operating Budget Detail

2025 ESTIMATED PROGRAM, ACTIVITY & OBJECT MATRIX					
Vanpool	Administration	Centralized Support	Total Suburban Service	Total Regional ADA Paratransit	Combined 2025 Estimate
\$994,020	\$0	\$0	\$21,827,114	\$16,260,193	\$38,087,307
0	1,759,610	0	1,759,610	0	1,759,610
0	843,000	0	843,000	0	843,000
0	11,686,841	0	11,686,841	580,976	12,267,817
0	1,022,776	0	13,055,031	1,971,986	15,027,017
<b>\$994,020</b>	<b>\$15,312,227</b>	<b>\$0</b>	<b>\$49,171,596</b>	<b>\$18,813,155</b>	<b>\$67,984,751</b>
\$0	\$0	\$5,509,739	\$114,002,696	\$0	\$114,002,696
0	0	2,380,976	2,386,073	0	2,386,073
0	0	0	30,254,813	297,502,200	327,757,013
663,344	0	13,365,471	14,028,815	7,574,385	21,603,200
1,178,759	0	0	1,552,899	0	1,552,899
<b>\$1,842,103</b>	<b>\$0</b>	<b>\$21,256,186</b>	<b>\$162,225,296</b>	<b>\$305,076,585</b>	<b>\$467,301,881</b>
\$0	\$0	\$4,050,753	\$30,081,529	\$0	\$30,081,529
0	0	400,000	13,612,856	0	13,612,856
0	0	3,023,400	3,675,524	0	3,675,524
<b>\$0</b>	<b>\$0</b>	<b>\$7,474,153</b>	<b>\$47,369,909</b>	<b>\$0</b>	<b>\$47,369,909</b>
\$0	\$0	\$1,775,542	\$3,199,753	\$0	\$3,199,753
0	0	0	874,351	0	874,351
0	366,050	3,526,846	6,194,663	0	6,194,663
<b>\$0</b>	<b>\$366,050</b>	<b>\$5,302,388</b>	<b>\$10,268,767</b>	<b>\$0</b>	<b>\$10,268,767</b>
\$0	\$26,104,489	\$0	\$31,047,585	\$5,768,961	\$36,816,546
0	177,080	0	278,459	1,953	280,412
0	2,053,849	0	4,981,640	475,686	5,457,326
0	0	12,743,742	12,743,742	342,586	13,086,328
0	0	33,338,844	33,338,844	1,309,665	34,648,509
0	28,321,655	10,479,929	39,360,442	5,460,622	44,821,064
0	0	0	(11,661,884)	11,661,884	0
<b>\$0</b>	<b>\$56,657,073</b>	<b>\$56,562,515</b>	<b>\$110,088,828</b>	<b>\$25,021,357</b>	<b>\$135,110,185</b>
<b>\$1,842,103</b>	<b>\$57,023,123</b>	<b>\$90,595,242</b>	<b>\$329,952,800</b>	<b>\$330,097,942</b>	<b>\$660,050,742</b>
<b>\$848,083</b>	<b>\$41,710,896</b>	<b>\$90,595,242</b>	<b>\$280,781,204</b>	<b>\$311,284,787</b>	<b>\$592,065,991</b>
53.96%	26.85%	0.00%	19.99%	11.21%	

# Appendix F • Operating Budget Detail

## 2026 Operating Budget

2026 PROGRAM, ACTIVITY & OBJECT MATRIX				
	Pace Operating Divisions	Public Carriers	Private Carriers	Demand Response Services
<b>Revenue</b>				
Farebox	\$19,755,874	\$516,190	\$149,198	\$2,235,904
Half-Fare Reimbursement	0	0	0	0
Advertising Revenue	0	0	0	0
Investment Income	0	0	0	0
Other	1,203,590	1,071,714	642,936	10,358,769
<b>Total Revenue</b>	<b>\$20,959,464</b>	<b>\$1,587,904</b>	<b>\$792,134</b>	<b>\$12,594,673</b>
<b>Operating Expenses</b>				
<b>Operations</b>				
Labor/Fringes	\$118,384,540	\$1,748,755	\$0	\$0
Parts/Supplies	3,925	1,179	0	0
Purchased Transportation	0	614,540	3,769,661	33,594,471
Fuel	0	0	0	0
Other	338,977	14,400	0	0
<b>Total Operations</b>	<b>\$118,727,442</b>	<b>\$2,378,874</b>	<b>\$3,769,661</b>	<b>\$33,594,471</b>
<b>Vehicle Maintenance</b>				
Labor/Fringes	\$28,190,093	\$700,920	\$0	\$0
Parts/Supplies	14,071,410	95,492	0	0
Other	522,737	127,092	0	25,308
<b>Total Vehicle Maintenance</b>	<b>\$42,784,240</b>	<b>\$923,504</b>	<b>\$0</b>	<b>\$25,308</b>
<b>Non-Vehicle Maintenance</b>				
Labor/Fringes	\$1,465,587	\$0	\$0	\$0
Parts/Supplies	927,587	0	0	0
Other	2,321,183	0	0	36,749
<b>Total Non-Vehicle Maintenance</b>	<b>\$4,714,357</b>	<b>\$0</b>	<b>\$0</b>	<b>\$36,749</b>
<b>General Administration</b>				
Labor/Fringes	\$4,355,086	\$461,607	\$0	\$0
Parts/Supplies	92,346	738	0	0
Utilities	3,100,543	1,025	0	0
Insurance	0	0	0	0
Health Insurance	0	0	0	0
Other	342,991	365,100	0	0
Indirect Overhead Allocation	0	0	0	0
<b>Total Administration</b>	<b>\$7,890,966</b>	<b>\$828,470</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenses</b>	<b>\$174,117,005</b>	<b>\$4,130,848</b>	<b>\$3,769,661</b>	<b>\$33,656,528</b>
<b>Funding Requirement</b>	<b>\$153,157,541</b>	<b>\$2,542,944</b>	<b>\$2,977,527</b>	<b>\$21,061,855</b>
<b>Recovery Ratio</b>	<b>12.04%</b>	<b>38.44%</b>	<b>21.01%</b>	<b>37.42%</b>

# Appendix F • Operating Budget Detail

2026 PROGRAM, ACTIVITY & OBJECT MATRIX					
Vanpool	Administration	Centralized Support	Total Suburban Service	Total Regional ADA Paratransit	Combined 2026 Budget
\$1,061,692	\$0	\$0	\$23,718,858	\$21,745,163	\$45,464,021
0	1,766,912	0	1,766,912	0	1,766,912
0	930,000	0	930,000	0	930,000
0	10,279,364	0	10,279,364	545,000	10,824,364
0	793,196	0	14,070,205	2,160,482	16,230,687
<b>\$1,061,692</b>	<b>\$13,769,472</b>	<b>\$0</b>	<b>\$50,765,339</b>	<b>\$24,450,645</b>	<b>\$75,215,984</b>
\$0	\$0	\$6,046,245	\$126,179,540	\$0	\$126,179,540
0	0	2,407,880	2,412,984	0	2,412,984
0	0	0	37,978,672	326,317,314	364,295,986
737,296	0	14,701,912	15,439,208	7,932,636	23,371,844
1,247,192	0	0	1,600,569	0	1,600,569
<b>\$1,984,488</b>	<b>\$0</b>	<b>\$23,156,037</b>	<b>\$183,610,973</b>	<b>\$334,249,950</b>	<b>\$517,860,923</b>
\$0	\$0	\$4,132,492	\$33,023,505	\$0	\$33,023,505
0	0	409,960	14,576,862	0	14,576,862
0	0	3,098,683	3,773,820	0	3,773,820
<b>\$0</b>	<b>\$0</b>	<b>\$7,641,135</b>	<b>\$51,374,187</b>	<b>\$0</b>	<b>\$51,374,187</b>
\$0	\$0	\$1,796,501	\$3,262,088	\$0	\$3,262,088
0	0	0	927,587	0	927,587
0	321,750	3,899,388	6,579,070	0	6,579,070
<b>\$0</b>	<b>\$321,750</b>	<b>\$5,695,889</b>	<b>\$10,768,745</b>	<b>\$0</b>	<b>\$10,768,745</b>
\$0	\$28,071,138	\$0	\$32,887,831	\$6,194,934	\$39,082,765
0	188,308	0	281,392	1,956	283,348
0	2,103,604	0	5,205,172	487,530	5,692,702
0	0	15,620,691	15,620,691	70,000	15,690,691
0	0	36,607,393	36,607,393	1,434,263	38,041,656
0	37,375,355	11,307,809	49,391,255	5,489,348	54,880,603
0	0	0	(13,335,235)	13,335,235	0
<b>\$0</b>	<b>\$67,738,405</b>	<b>\$63,535,893</b>	<b>\$126,658,499</b>	<b>\$27,013,266</b>	<b>\$153,671,765</b>
<b>\$1,984,488</b>	<b>\$68,060,155</b>	<b>\$100,028,954</b>	<b>\$372,412,404</b>	<b>\$361,263,216</b>	<b>\$733,675,620</b>
<b>\$922,796</b>	<b>\$54,290,683</b>	<b>\$100,028,954</b>	<b>\$321,647,065</b>	<b>\$336,812,571</b>	<b>\$658,459,636</b>
<b>53.50%</b>	<b>20.23%</b>	<b>0.00%</b>	<b>13.63%</b>	<b>6.77%</b>	

## Budget Process & Calendar

The RTA Act, which governs Pace, CTA and Metra, contains specific language describing both the budget process and the RTA review criteria.

### *The Budget Process*

By September 15 each year, the RTA must advise the Service Boards of the amount and timing of the provision of public funding for the upcoming and two following fiscal years. At the same time, the RTA is to advise the Service Boards of their required system-generated recovery ratio for the coming fiscal year. In establishing the recovery ratio requirement, the RTA is to take into consideration the historical system-generated recovery ratio for the services subject to each Service Board. The RTA is not to increase the recovery ratio for a Service Board disproportionately or prejudicially compared to increases in the ratio for the other Service Boards.

With the amendment of the RTA Act in 2008 to address ADA Paratransit, a specific recovery ratio of 10% was established for the ADA Paratransit program. The ADA recovery ratio is independent of the ratios set by the RTA for Pace's suburban service.

To facilitate the RTA action by September 15, Pace and the other Service Boards begin meetings with the RTA in May. The series of meetings and budget discussions serve to improve the budget process by allowing the RTA to consider up-to-date input on financial matters prior to making their September 15 decision on funding levels and recovery rate requirements.

By November 15, Pace is required to submit a budget proposal to the RTA for the coming fiscal year and a financial plan for the following two years, which is consistent with the recovery ratio and funding marks established by the RTA in September.

Prior to submitting a budget and financial plan to the RTA, Pace is required to prepare and publish a comprehensive budget and program document (as represented by this document) and hold at least one public hearing on the budget in each of the six counties Pace serves. Public notice of the hearings is published in a newspaper of general circulation in the metropolitan region. Pace also meets with each of the six county boards to review the proposed budget. In addition to these required meetings, Pace participates in numerous meetings of local government organizations and councils such as Chicago Metropolitan

Agency for Planning (CMAP) and various transportation committees to inform the public of the proposed budget. Copies of the proposed budget document and supplemental brochure are printed and distributed to elected officials, local governments, transportation advocacy organizations, public libraries, and citizens. An electronic copy is also available on Pace's website at:

[www.PaceBus.com/budgets](http://www.PaceBus.com/budgets)

At the conclusion of these meetings and hearings, the Pace Board of Directors meets to evaluate the input gained, make recommendations for changes to the proposed budget as necessary, and then adopt a final budget by ordinance. This action is taken prior to the submittal of the budget to the RTA by November 15.

Once the RTA has evaluated the budget submittals of Pace and the other Service Boards, they consolidate the information along with their own into a regional budget.

The consolidated regional budget must also achieve certain criteria. Chief among them is the requirement for the consolidated budget to cover 50% of its operating costs from fares and other operating revenue. This is the regional recovery rate requirement. This requirement has been waived through 2025 due to the impact of the coronavirus pandemic on system-generated revenue. The RTA also meets with each county board and holds public hearings in each county on the consolidated regional budget. At the conclusion of these meetings and hearings, the RTA adopts a final budget which requires the approval of twelve of the RTA's sixteen-member Board of Directors. The RTA Act requires that the RTA adopt the consolidated regional budget no later than December 31 for presentation to the Governor and General Assembly.

### *Budget Amendment Process*

The Pace Board of Directors may make additional appropriations, transfers between line items, and other changes to its budget at any time, as long as the changes do not alter the basis upon which the RTA made its balanced budget determination. Budget amendments are made from time to time by the Board and are generally accomplished by revision to the annual appropriations ordinance. In the event a budget revision results in a general fare increase or a significant reduction of service, the Board will also conduct public hearings in the affected service areas.

Budget amendments which do not impact the RTA balanced budget determination basis are provided to the RTA for informational purposes. The RTA may also initiate the need for a budget amendment by Pace or another Service Board if it determines such an amendment is necessary. Generally, this would only occur if a Service Board failed to achieve its budgeted recovery ratio and/or exceeded its public funding allocation, in which case the RTA can direct the Service Board to submit an amended budget within a specified time frame. Additionally, the RTA may require the Service Boards to submit amended budgets to reflect a revision to public funding or the recovery ratio,

as deemed necessary by the RTA. The Service Boards have 30 days from date of notice to submit a revision. There are no public hearing requirements for budget amendments which do not affect fares or services.

### *Budget Calendar*

Below are key dates and events in the budget development cycle. The annual capital budget and five-year program, as well as the annual budget and two-year financial plan for operations, are developed in accordance with this schedule.

2026 Budget Development Calendar	
Date (2025)	Event
May 9	Budget call released to Pace management
May-August	Budget discussions/meetings with RTA and other Service Boards
June 9	Budget call requests due from Pace management
June-August	Staff develops a preliminary budget
September 15	Statutory date for RTA to set 2026 Funding and Recovery Marks
September 17	Pace Board meets to discuss preliminary 2026 Budget
October 10	Pace submits Proposed 2026 Budget to RTA
October 15	Pace Board releases Proposed 2026 Budget for Public Hearing
October 17-28	Public Hearings on Pace's Proposed 2026 Budget
November 12	Pace Board adopts Final 2026 Budget
November 15	Pace submits Final 2026 Budget to RTA
November	RTA evaluates Pace, Metra, and CTA budgets for compliance
November 20	RTA Finance Committee Review of Regional Budget
December 18	RTA scheduled to approve 2026 Regional Budget



## Budget & Financial Policies

### Budget Policies Overview

Pace is one of three service boards, along with CTA and Metra, subject to the budgetary control provisions of the Regional Transportation Authority (RTA) Act, which is an Illinois state statute. One of the RTA's chief responsibilities is to ensure compliance with the budgetary controls set forth by the Act.

In addition to the budgetary controls defined by the RTA Act, the Pace Board of Directors has adopted additional budgetary policies which further enhance the control and utilization of resources. The following sections describe the budgetary controls and policies that govern Pace at both the RTA level and internally.

### Balanced Budget Definition and Criteria

As described in the Budget Process and Calendar section, the RTA Act requires Pace to submit an adopted budget for the coming fiscal year (calendar basis); a two-year financial plan for the two subsequent years; and a five-year capital improvement program and budget by November 15.

Once the final program and budget is submitted, the RTA is required to evaluate it in accordance with seven key criteria as established in the RTA Act. These criteria constitute the definition of a balanced budget.

- 1** The budget plan must show a balance between (a) anticipated revenue from all sources including operating subsidies, and (b) the costs of providing the services specified and funding any operating deficits or encumbrances incurred in prior periods, including provision for payment when due of principal and interest on outstanding indebtedness.
- 2** The budget and plan must show cash balances, including the proceeds of any anticipated cash flow borrowing, sufficient to pay with reasonable promptness all costs and expenses, as incurred.
- 3** The budget and plan must provide for a level of fares or charges and operating or administrative costs for the public transportation provided by, or subject to, the jurisdiction of the service board, sufficient to allow the service board to meet its required system-generated recovery ratio and ADA Paratransit recovery ratio.

- 4** The budget and plan are based upon and employ assumptions and projections which are reasonable and prudent.
- 5** The budget and plan must have been prepared in accordance with sound financial practices and be in the form and format as determined by the RTA Board of Directors.
- 6** The budget and financial plan must meet such other financial, budgetary, or fiscal requirements that the Board may, by rule or regulation, establish.
- 7** The budget and plan are consistent with the goals and objectives adopted by the Board in its strategic plan.

If the RTA finds a service board budget submittal does not meet these criteria, it can withhold 25% of the public funding from the service board. The RTA Act further requires that the RTA adopt a budget for the service board, should the service board fail to submit a budget which meets the criteria.

In addition to the seven statutory criteria, the RTA has adopted additional budgetary and financial policies which govern Pace. They are summarized as follows:

### Budget Monitoring and Reporting

To ensure compliance with the RTA Act requirements for a balanced budget, Pace is required to report quarterly budget results to the RTA within 30 days after the quarter end. The RTA evaluates the results and formally adopts an ordinance which assesses compliance with budgetary funding levels and recovery ratio requirements. If found to be non-compliant with the budget, the RTA may direct Pace to provide a corrective action plan and corresponding budget for their approval.

Pace also produces a monthly budget report for its Board and management. Managers are also advised monthly as to significant budget variances which are further evaluated by the Budget Department and the respective manager. In addition, all procurement contracts submitted to the Board require the approval of the Budget Department Manager who reviews the contract proposal for budget compliance.

### **Budget Control Policies**

The Pace Board of Directors adopted three key budget policies which further govern the control of financial resources. They are summarized as follows:

#### *Line-Item Budget Control*

This policy identifies the specific budgetary line items under control of the Board as established via the annual appropriations ordinance. It further identifies that the Executive Director has control over the individual expense components and budgets which comprise the Board controlled line items.

#### *Authorized Head Count*

This policy establishes the Board as controlling the total employees in full-time equivalents (FTEs) and allows the Executive Director to make FTE changes between individual areas within the Board approved total.

#### *Use of Positive Budget Variance (PBV)*

This policy establishes that earnings generated by favorable budgetary performance are restricted to capital uses, finite operating purposes, or to offset future unfavorable budget performance.

### **Long Range Financial Planning**

Pace is required by the RTA Act to prepare and submit to the RTA for review annually, a three-year financial plan for operations and a five-year capital investment program. The plans are to be balanced to RTA's projections of available resources. Pace prepares these plans based on detailed assumptions for each program element. Major assumptions regarding program service levels, ridership, fleet requirements, revenue, and expense growth serve as the basis for these plans and are documented in the plan narratives, charts, and tables.

### **Working Capital Policy**

To allow for the payment of obligations in a timely manner, the Pace Board of Directors adopted a Working Capital Policy. The policy adopts best practices outlined by the Government Finance Officers Association (GFOA). Working capital is defined by the GFOA as the difference between

current assets and current liabilities. For Pace's policy, the unexpended, approved PBV capital projects balance is also deducted from current assets. The policy requires working capital of between 45 and 90 days. Based on the policy, as of June 30, 2025, Pace has 319 days of liquidity.

The ADA Paratransit service is excluded from this policy.

### **Investment Policy**

The Pace Board of Directors has adopted an investment policy that governs the investment of public funds. The policy conforms to all applicable State statutes. The primary objectives, in priority order, of Pace's investment activities shall be:

#### *Safety of Principal*

Pace will invest funds in a manner that seeks to safeguard principal in Pace's overall investment portfolio by minimizing credit risk and interest rate risk.

#### *Liquidity of Funds*

Pace will provide sufficient liquidity of funds to pay obligations as they come due by structuring the investment portfolio so that: (1) investments mature concurrently with cash needs and (2) the investment portfolio consists largely of investments with active secondary or resale markets or a portion of the investment portfolio is placed in money market mutual funds of local government investment pools that offer same-day liquidity for short-term funds.

#### *Return on Investment*

Pace will design the investment portfolio to attain a competitive market rate of return when practicable by limiting investments to relatively low risk investments and generally holding those investments until maturity.

An objective of Pace's investment policy is to maximize earnings. To facilitate the evaluation of investments, the 90-day Treasury Bill rate has been established as a performance benchmark.

### **Use of One-Time Revenue**

Pace's use of one-time revenue is subject to policies established by both the Pace and RTA Boards of Directors.

### *RTA Funding Policy*

This policy establishes the basis for RTA funding of Pace. RTA policy is to pass through actual funding results based on the source. In September 2022, the RTA rescinded the requirement that positive budget variances from operations be used for capital projects or finite operating uses subject to RTA budgetary approval. Lastly, the RTA Reserve Policy, established in October 2015, requires the service boards to maintain adequate reserves to address funding and revenue shortfalls and expense overruns. Pace's working capital policy satisfies this requirement.

### **Asset Inventory/Condition Assessment**

Pace performs a biennial fixed asset inventory, as required by the Federal Transit Administration (FTA). The FTA has established stringent controls over the procurement, use, maintenance, and disposition of federally funded public transportation assets. The FTA requires the biennial fixed asset inventory to be reconciled to records and accurately reported on the audited financial statements of the agency. Pace is required to ensure safeguards are in place to prevent loss, damage, theft, and premature failure of assets. Leases of equipment by Pace to subcontractors must provide for use and control of assets in accordance with federal regulations. Disposition of assets is also strictly controlled by federal regulations with useful life standards established for each asset type. All Pace fixed assets are subject to these control standards.

The FTA also requires Pace to develop and maintain a Transit Asset Management Plan (TAM). TAM plans include an asset inventory, condition assessments of inventoried assets, and a prioritized list of improvements to attain the state of good repair (SGR) of capital assets. Transit providers are required to set performance targets for their capital assets based on SGR measures and report their targets, as well as other information related to the condition of capital assets, to the National Transit Database (NTD). All major assets are included in future capital improvement replacement plans contained in the annual capital program and budget document.

### **Risk Management**

Pace purchases excess insurance for potential catastrophic occurrences and incorporates risk control and claims management techniques to manage the cost of more frequent, predictable property/casualty loss exposures. Pace utilizes risk management and actuarial data to establish reserves for incurred and incurred-but-not-reported claims to establish appropriate funded reserves to pay future potential liabilities.

Pace currently maintains a Self-Insured Retention (SIR) for automobile liability, general liability and workers' compensation exposures. Excess liability insurance is purchased above the SIR, and additionally, Pace may utilize the RTA Loss Financing Plan to finance recovery for qualified losses. Pace also purchases other property/casualty excess policies including crime, cyber liability, director and officer liability, employment practices liability, pollution, and property (including boiler & machinery).

Pace also has elected to self-insure a portion of its health and welfare exposures. Pace maintains stop-loss coverage for any individual health claims exceeding \$150,000.

### **Debt Policy**

Effective January 2013, Pace was authorized by the State of Illinois to issue up to \$100 million in bonds for capital improvements.

The legislation authorizing Pace to issue debt for capital improvements limits how Pace may issue the bonds, what projects may be financed, and how the debt is to be repaid. The bonds are not to be general obligations of Pace, but rather revenue bonds. The amortization schedule(s) cannot be greater than twenty-five years, nor can the principal and interest be capitalized, but rather level debt payments must be scheduled.

The authorized projects are: (1) conversion of the South Division garage in Markham to a compressed natural gas (CNG) facility; (2) construction of a new garage in the northwestern Cook County suburbs; (3) construction of a new paratransit garage in DuPage County; (4) expansion of the North Shore garage in Evanston to accommodate additional indoor bus parking; and (5) acquisition of buses.

Suburban Service operating revenue is expected to be the revenue source dedicated for debt service payments. Pace generates over \$30 million annually in operating revenue, leaving a coverage ratio of greater than three when considering the estimated bond payment schedules for the authorization limit of \$100 million.

The Pace Board of Directors has approved a Debt Management Policy. This policy incorporates government best practices and recognizes the statutory limitations placed on Pace when issuing debt. Pace has also updated its Investment Policy, recognizing how unused bond proceeds will be accounted for and invested.

Pace will strategically issue bonds based on authorized capital project schedules, market conditions, and long-term financial planning.

In 2024, Pace made its final principal and interest payments on the \$12.000 million South Division garage bond. With the passage of the *Rebuild Illinois* state capital funding legislation, Pace is no longer planning to issue bonds for construction of a new garage in the northwestern Cook County suburbs or for the expansion of the North Shore garage in Evanston. The other projects have yet to have a timeline formulated; however, a reimbursement resolution has been adopted by the Board of Directors that covers all five projects.

### **Basis of Accounting and Budgeting**

Pace prepares its financial statements and budget reports using the accrual basis of accounting.

#### *Accounting*

Pace maintains its accounting records and prepares its financial reports in conformity with generally accepted accounting principles. The financial activities of Pace are organized on the basis of an individual fund which is an accounting entity segregated for the purpose of carrying

out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. Pace operates as an enterprise fund, a type of proprietary fund. Beginning January 1, 2007, Pace established a second enterprise fund to account for the financial activities of the Regional ADA Paratransit program. Revenue and expenses for these funds are recognized using the accrual basis of accounting.

#### *Budgeting*

Pace's operating budget is prepared in a manner consistent with Pace's financial statements, which are prepared on the accrual basis of accounting for a proprietary fund type.

Pace maintains a chart of accounts consistent with the FTA's financial reporting requirements. In general, these accounts are established by activity type (i.e., labor, materials, etc.) for four main expense object areas: operations; maintenance; non-vehicle maintenance; and administration. Further segregation of accounts is used to identify activities by object class for individual service programs (i.e., vanpool, demand response, etc.).

### **Reporting Entity**

Pace has defined its reporting entity as a primary government unit based on the criteria in the Governmental Accounting Standard Board (GASB) Statement No. 14, "The Financial Reporting Entity." Pace's financial statements include the accounts of its nine operating divisions.

### **External Audit**

An independent accounting firm performs an annual examination of Pace's financial statements including Single Audit requirements. Pace's goal is to receive an unqualified opinion on the financial statement audit and a separate report that Pace is in compliance with all federal single audit requirements.

## Debt Administration - Bond Issues

Pace was authorized by the State of Illinois in 2013 to issue up to \$100 million in bonds for capital improvements. The legislation authorizing Pace to borrow money for capital improvements was restrictive in how Pace could issue the bonds, what projects could be financed, how much could be issued per project, and how the debt was to be repaid. Pace was authorized to issue bonds for converting the South Division garage in Markham to a compressed natural gas (CNG) facility, to construct a new garage in the northwestern Cook County suburbs, to construct a new paratransit garage in DuPage County, and to expand the North Shore garage in Evanston to accommodate additional indoor bus parking. On July 29, 2016, Pace's bonding authority was amended to allow Pace to purchase buses. This legislation did not change the total bonding authority; however, keeping it at \$100 million eliminated the previous bonding limit for each purpose.

Prior to 2015, Pace did not have any outstanding debt and had never issued bonds. Pace has the authority to direct the Regional Transportation Authority (RTA) to issue up to \$5 million in working cash notes on its behalf. Pace has never exercised this option.

In 2013, the Pace Board of Directors approved a bond reimbursement resolution which allows Pace to strategically issue bonds for authorized projects based on Pace's financial and capital planning. In December 2013, the Pace Board of Directors approved a Debt Management Policy establishing best practices staff must follow when administering and issuing bonds.

### *Bond Payments*

State statute limits Pace to issue only revenue bonds, which can only be repaid using Pace operating revenue. Pace is not allowed to pledge or use sales tax revenue for repayment of the authorized bonds.

### *Bond Rating*

Pace does not have a bond rating and, depending on the size and use of a future bond, may pursue a public offering which will require Pace to receive a bond rating. In this case, the bond rating will analyze Pace's financial strength, management, condition of the local economy, and long-term financial planning. The bond rating will state if Pace is stable, trending downward (negative), or upward (positive).

### *2026 Budget*

The 2026 Budget does not include plans for issuing a bond.



### Budget/Funding/Transit Service Terms

#### accessible vehicle

A vehicle that a wheelchair-bound person may enter either via an onboard retractable lift or ramp, or directly from a station platform reached by a lift or a ramp.

#### accrual

Recognition of an expense or income in the period incurred or earned that has not been paid or received.

#### ADA—Americans with Disabilities Act

Civil rights legislation that was signed into law in 1990. Transit systems are required to offer accessible mainline services and complimentary ADA paratransit services and were given until January 1997 to achieve full compliance.

#### ADA paratransit service

Accessible transportation service required by the ADA for individuals with disabilities who may not be able to use fixed route transportation services.

#### administrative expense

Cost of labor, materials, and fees associated with general office functions, insurance, IT, legal services, and customer services.

#### appropriation

An amount, from a fund balance or budget, that has been designated for a specified purpose and is not available for other uses.

#### ART—Arterial Rapid Transit

Transit service along an arterial roadway that typically includes Transit Signal Priority (TSP) and queue jump lanes to improve travel times.

#### audit

A review to determine the accuracy and validity of records and reports or the conformity of procedures with established policies.

#### balanced budget

Financial plan in which revenue and expenses are equal.

#### bond

A written contract evidencing a long-term, interest bearing loan.

### BOS—Bus on Shoulder

Bus service that can use shoulder lanes on expressway corridors to bypass slow traffic, thus reducing travel times. In 2014, the Illinois General Assembly enacted legislation permanently authorizing Pace to be the only transit agency allowed to operate Bus on Shoulder service and expanding that permission to all the regions' expressways and tollways.

### BRT—Bus Rapid Transit

Bus service that operates primarily in a separated right-of-way that emulates rail fixed guideway services including defined stations, level boarding platforms, Transit Signal Priority (TSP), and queue jump lanes.

### budget

A financial plan showing estimated or planned revenue and expenses.

### BUILD—Better Utilizing Investments to Leverage Development

A federal discretionary grant program for planning and capital investments that supports roads, bridges, transit, rail, ports, or intermodal transportation.

### Bus & Bus Facilities Infrastructure Investment Program (49 U.S.C. 5339)

Federal funding provided through formula allocations and competitive grants. Eligible activities include capital projects to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

### capital budget

The appropriation of funds for the purchase of vehicles, land, equipment, computer software/hardware, and improvements/construction of facilities and infrastructure.

### capital cost of contracting

The capital consumed during a transit service contract period, such as depreciation of vehicles, facilities, or equipment used by the contractor. Capital consumed may also include a proportionate share of the interest the contractor might pay out as the contractor purchases and makes available to the recipient of these capital assets.

### CMAQ—Chicago Metropolitan Agency for Planning

The regional planning organization for northeastern Illinois.

### CMAQ—Congestion Mitigation/Air Quality

A federal grant program designed to support transportation projects which reduce traffic congestion and improve air quality.

### cost per mile

Operating expense divided by vehicle miles for a program or in total.

### cost per passenger

Operating expense divided by ridership for a program or in total.

### CRP— Carbon Reduction Program

A federal grant program designed to reduce carbon dioxide emissions from on-road highway sources, including constructing Bus Rapid Transit corridors.

### CTA—Chicago Transit Authority

One of three service boards overseen by the RTA. CTA operates bus and Rapid Transit (rail) service in the City of Chicago and surrounding suburbs.

### deficit

The amount by which total operating expense exceeds total revenue.

### demand response service

Non-fixed route service dispatching vans or small buses based on origin and destination demand activation from passengers. Includes On Demand services.

### discretionary operating funds

Funds which the RTA allocates, at its discretion, to the service boards. These funds include 15% of the RTA Part I sales tax and PTF.

### Enhanced Mobility of Seniors and Individuals with Disabilities (§5310)

This program provides funding to support capital projects that are planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable. It is also used for public transportation projects that exceed the requirements of ADA that improve access to fixed route service and decrease reliance by individuals with disabilities on complementary paratransit, and for alternatives to public transportation.

### express bus

A suburban or intercity bus that operates a significant portion of the route without stops or with a limited number of stops.

### fare

The amount charged to passengers for use of various transit services.

### farebox revenue

Revenue from passenger fares and local, employer and other fare subsidies, exclusive of the State Reduced Fare Subsidy Program, interest income, and advertising revenue.

### feeder route

A route with the primary purpose of transporting riders from residential areas to a Metra station.

### FEMA—Federal Emergency Management Agency

FEMA is an agency of the United States Department of Homeland Security. This agency provides grant money to transit systems under the Transit Security Grant Program and other such programs.

### fixed route service

Transit service provided on a regularly scheduled basis along a specific route with vehicles stopping to pick up and discharge passengers along the route.

### flex lane

A seventeen-and-a-half foot inside lane on the Jane Addams Tollway (I-90) launched in 2017 and designated for Pace bus use only to route around traffic congestion.

### fringe(s)—fringe benefit expense

Expense of employees including sick pay, vacation pay, pension contributions, life and health insurance, unemployment and workers' compensation, social security costs, and other allowances.

### FTA—Federal Transit Administration

An agency within the U.S. Department of Transportation (DOT) that provides financial and technical assistance to local public transit systems.

### FTE—full-time equivalent position

A unit of measurement equal to the annual working hours of one full-time employee.

### fund

Cash, securities, or other assets set aside or provided for a stated purpose.

### funding formula

A calculation used to determine a subsidy level or non-discretionary grant amount.

### grant

Funding received from local, federal, and state governments to provide capital or operating assistance.

### headway

The scheduled gap between buses which varies for different route types, time of day, and day of the week.

### IBS—Intelligent Bus System

A satellite-based communication technology used to improve the tracking of buses, collection of data, and communication between buses, drivers, and passengers.

### ICE—Innovation, Coordination and Enhancement Fund

Established by the RTA Act in 2008 at \$10 million, adjusting annually with changes in sales tax collected. Funds are used to enhance transit services through effective management, innovation, and technology.

### IDOT—Illinois Department of Transportation

Agency responsible for state-maintained public roadways in Illinois that provides capital and student reduced fare funding for public transit.

### IIJA—Infrastructure Investment and Jobs Act

Also known as Bipartisan Infrastructure Law (BIL), this was signed into law on November 15, 2021 and authorizes \$1.2 trillion for transportation and infrastructure spending. The legislation includes \$39 billion of new investment to modernize transit and improve accessibility, in addition to continuing the existing transit programs for five years as part of surface transportation reauthorization. In total, the new investments and reauthorization provide \$89.9 billion in guaranteed funding for public transit over five years.

### Invest in Cook

Program administered by the Cook County Department of Transportation and Highways which awards grants to cover planning, engineering, right-of-way acquisition and construction costs associated with transportation improvements sponsored by local governments, agencies and private partners.

### labor expense

The cost of wages and salaries (including overtime) paid to employees for performance of their work.

### low income individual

A person whose family income is at or below 150% of the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

### MaaS—Mobility as a Service

Digital solution that integrates various forms of transport and transport-related services into a single, comprehensive, and on-demand mobility service which allows users to plan, book, and pay for multiple types of mobility services.



### maintenance expense

Expense of labor, materials, services, and equipment used to repair and service transit vehicles.

### marks

Level of funding provided by the RTA to the service boards.

### Metra (Commuter Rail Division)

One of three service boards overseen by the RTA. Metra operates commuter rail service in northeastern IL.

### minority route

A bus route where at least one third of the route travels through a minority census tract. For Pace's service area, a minority census tract is one in which more than 40% of the population identifies as a minority.

### non-vehicle maintenance expense

Expense of labor, materials, services, and equipment used to repair and service structures, vehicle movement control systems, fare collection equipment, communication systems, buildings, grounds, and equipment, other than transit vehicles.

### NTD—National Transit Database

FTA's primary national database for statistics on the transit industry.

### On Demand

Reservation-based, curb-to-curb, shared ride service for anyone within the designated service area. Formerly Call-n-Ride.

### operating assistance

Financial assistance for transit operations (non-capital expenditures). Such aid may originate with federal, local, or state governments.

### operating budget

The planning of revenue and expenses for a given period of time to maintain daily operations.

### operations expense

Expense for labor, materials, fees, fuel, and rents required for operating transit vehicles and passenger stations, except electric propulsion power.

### Pace (Suburban Bus Division)

One of the three service boards overseen by the RTA. Pace operates non-rail suburban public transit service as well as ADA Paratransit service in the City of Chicago and surrounding suburbs.

**Pace Bond Program**

Public Act 97-0770 gave Pace authority to issue bonds for eligible capital projects, effective January 1, 2013 and totaled \$100 million for four specific capital construction projects. P.A. 99-0665, effective July 29, 2016, amended P.A. 97-0770 to allow Pace to issue bonds for the purchase of transit buses in addition to the previously authorized projects. Pace's total bonding authority remains at \$100 million.

**paratransit service**

A generic term used to describe non-fixed route service utilizing vans or small buses to provide prearranged trips within the system service area to individuals deemed eligible based on local requirements.

**PAYGO**

Part of the *Rebuild Illinois* legislation that increased the motor fuel tax and created the Transportation Renewal Fund to provide ongoing funding for capital projects.

**PBV—positive budget variance**

The amount by which a service board comes in favorable to available funding from the RTA in a given budget year. RTA policy allows the service boards to retain these funds in an unrestricted fund balance which can be used for capital projects or operating expenses.

**performance measure**

A quantifiable indicator of performance or condition to assess progress toward meeting established targets.

**performance target**

A quantifiable level of performance or condition that is projected to be achieved within a given time period.

**Posted-Stops-Only**

On select Pace routes, riders are required to get on or off the bus only at a designated bus stop, as opposed to a flag-stop in which passengers are allowed to board or alight a bus anywhere it is safe to do so.

**private contract services**

Transit service provided by companies or organizations under contract with Pace, also known as 'purchased transportation'.

**program (noun)**

Refers to groupings of expense accounts of similar activities or objects of expenditures (e.g., operations, maintenance, administration, vanpool, demand response, or capital).

**proprietary fund**

In governmental accounting, a business-like fund of a state or local government. Also known as enterprise fund and internal revenue fund, it provides goods or services for a fee.

### PTF—Public Transportation Fund

An operating subsidy from the State of Illinois equivalent to 30% of the RTA sales tax and Chicago real estate transfer tax (RETT) collected. The 25% PTF match on the Chicago RETT is directed to the CTA.

### public transportation

Regular, continuing shared-ride surface transportation services that are open to the general public or a segment of the general public defined by age, disability, or income.

### Pulse

A branding name for Pace's Arterial Rapid Transit network.

### RAP—Rideshare Access Program

Program operated in the City of Chicago and suburban counties which provides subsidized rideshare services to eligible riders.

### Rebuild Illinois

Multi-year state capital bill which invests in roads, bridges, railroads, universities, early childhood centers, state facilities, and public transportation. The legislation also established a PAYGO fund as an ongoing funding source for future capital needs.

### recovery ratio

Operating revenue divided by operating expenses to calculate a percentage that measures efficiency.

### Regional ADA Paratransit Service

The combination of Suburban and City of Chicago ADA paratransit services.

### RETT—Real Estate Transfer Tax

A real estate transfer tax in the City of Chicago implemented by Public Act 95-0708 in January 2008. The tax (\$1.50 for every \$500 of sales price) went into effect April 2008. Proceeds are directed to the CTA.

### ReVision

Pace's Network Revitalization & Systemwide Restructuring Initiative intended to understand current and future travel needs, create a framework to guide service investments, and recommend systemwide service improvements.

### ridership (unlinked passenger trips)

The number of transit vehicle boardings in which each passenger is counted each time that person boards a vehicle.

### rolling stock

Public transportation revenue vehicles, which for Pace includes buses and vans.

### RTA—Regional Transportation Authority

Agency charged with financial oversight, funding, and regional transit planning of the six-county Chicago metropolitan region's service boards (CTA, Metra, and Pace).

### RTA Bond Funding

Through the Illinois First Program, the RTA was authorized to secure bonds for capital needs. The RTA authorized \$1.6 billion (\$1.3 billion for Strategic Capital Improvement Program (SCIP) and \$300 million for General Obligation Bonds (GOB). The State of Illinois reimburses the RTA for principal and interest expenses incurred on SCIP bonds. The funding for this program has been exhausted; however, from time to time, the RTA uses the defeasance of bonds to reissue new bonds for capital purchases.

### RTA Sales Tax Part I

A sales tax of 1% in Cook County and 1/4% in the collar counties of DuPage, Kane, Lake, McHenry, and Will. Eighty-five percent of the sales tax is fully distributed to the service boards by the RTA according to formulas established by the RTA Act (also known as formula funds or 85% funds).

Fifteen percent of the sales tax is retained by the RTA. A portion of these funds may be distributed to the service boards at its discretion; also, known as discretionary funds.

### RTA Sales Tax Part II

A 1/4% regionwide sales tax implemented in April 2008 as a result of passage of Public Act 95-0708 by the state legislature. Funds from this source are added to matching public transportation funds (PTF) and allocated per a defined formula which is explained under the source of funds section.

### SCMF—Suburban Community Mobility Fund

The RTA Act provides a special funding earmarked for Pace to pay for existing and new non-traditional transit services such as demand response, Vanpool, reverse commute, and others.

### senior

A term used for an individual who is 65 years of age or older.

### service board

A reference to the region's transit operators—CTA, Metra, and Pace.

### SGR—state of good repair

The condition in which a capital asset is able to operate at a full level of performance.

### SSJA—South Suburban Job Access

The RTA Act provides a designated amount (\$7.5 million) of RTA funding to Pace for the provision of employment-related services in south Cook County.

### subsidized service

Service initiated by a rider with an eligible taxi or transportation network company for which the rider is only responsible for a Pace-specified fare and any expense above a pre-negotiated cost.

### suburban service

All Pace services and programs with the exception of ADA Paratransit services.

### TAM—Transit Asset Management

A strategic and systematic process of operating, maintaining, and replacing public transportation capital assets effectively throughout the life cycle of such assets. 49 U.S.C. 5326 establishes minimum Federal requirements for TAM that apply to all recipients and subrecipients of Chapter 53 funds that own, operate, or manage public transportation capital assets.

### TAP—Taxi Access Program

Program operated in the City of Chicago which provides subsidized taxi service to ADA-eligible riders.

### TMA—Transportation Management Association

A formal organization of businesses and local governments dedicated to solving local transportation concerns.

### TNC—Transportation Network Company

A company that provides prearranged transportation services through an internet application or digital platform to connect passengers with drivers of vehicles for hire. Often referred to as ride-hailing companies, vehicles for hire may include traditional licensed taxi cabs, as well as companies like Uber, Lyft, and Via.

### total vehicle miles

Sum of all miles operated by passenger vehicles, including mileage when no passengers are carried.

### Transfer Capital

Budget year operating funds directed to capital projects.

### Transit Asset Management Plan

A TAM plan is a tool that aides a transit provider in: (1) assessing the current condition of its capital assets; (2) determining what the condition and performance of its assets should be; (3) identifying the unacceptable risks in continuing to use an asset that is not in a state of good repair; and (4) deciding how to best prioritize anticipated funds toward improving asset condition and achieving a sufficient level of performance within those means. The TAM Final Rule (49 CFR Parts 625 and 630) required public transportation providers to have an initial TAM plan in place by October 1, 2018.



### TSP—Transit Signal Priority

System that utilizes vehicle location and wireless communication technology to advance or extend green times at signalized intersections to reduce bus travel times and improve schedule adherence.

### unrestricted net assets (fund balance)

The portion of net assets that is neither restricted nor invested in capital assets net of related debt. These funds are considered by Pace to represent the available fund balance.

### urbanized area

An incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census.

### Urbanized Area Formula Funding Program (49 U.S.C. 5307)

Federal funding apportioned based on legislative formulas. Eligible activities include: planning, engineering, design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses, crime prevention and security equipment, and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. In addition, associated transit improvements and certain expenses associated with mobility management programs are eligible under the program. All preventive maintenance and some ADA complimentary paratransit service costs are considered capital costs.

### UWP—Unified Work Program

Grant program that funds various planning projects that CMAP and other agencies undertake each year to enhance transportation in northeastern Illinois.

### vanpool

A group of 5-14 people who commute to and from work together in a Pace-owned van.

### vehicle load

A ratio of the maximum average number of passengers on buses compared to the average number of available seats.

### Ventra®

An electronic fare payment system used by CTA, Metra, and Pace riders that has replaced the former Chicago Card and Transit Card automated fare collection system.

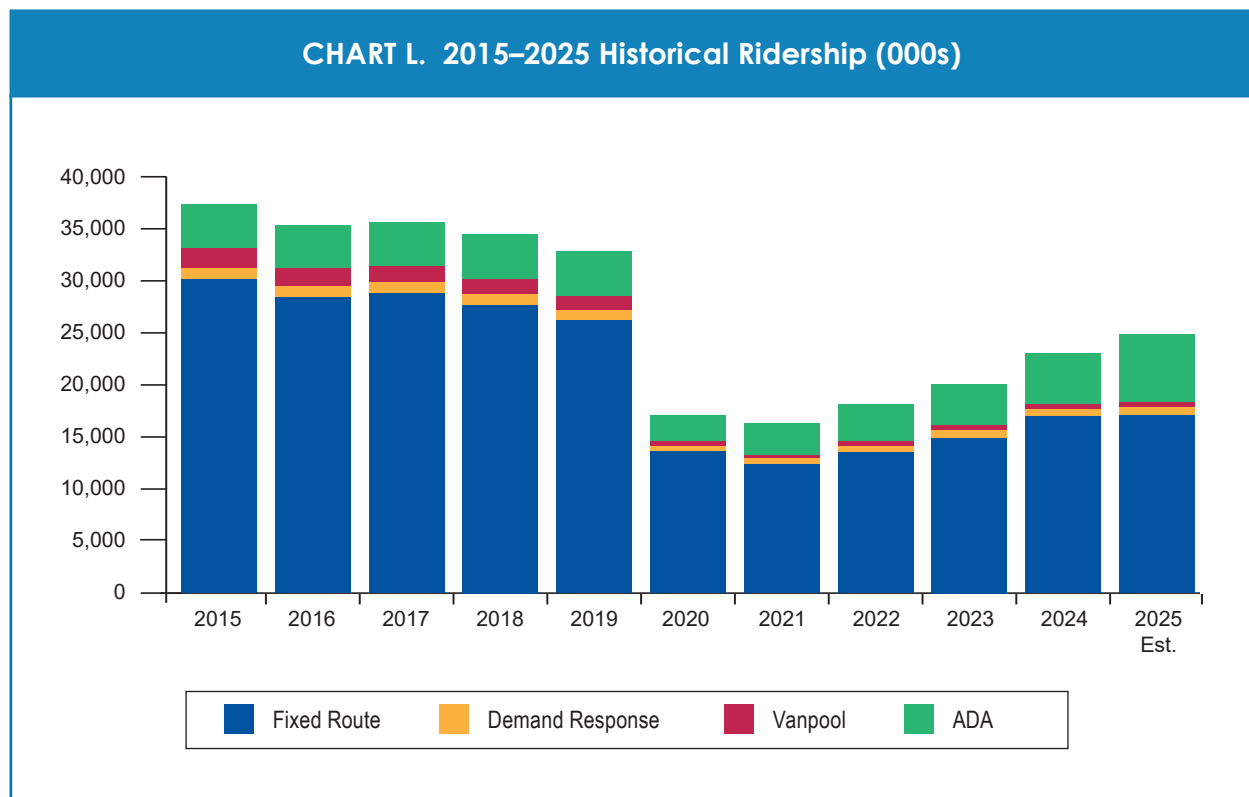


## Ridership

The following table details the ridership performance of Pace's various services for the last ten years.

Table 41. 2015–2025 Ridership Historical Summary (000s)						
Year	Fixed Route	Demand Response*	Vanpool	Total Suburban Service	ADA*	Total System
2015	30,120	1,147	1,851	33,118	4,227	37,345
2016	28,398	1,109	1,664	31,171	4,178	35,349
2017	28,804	1,048	1,518	31,370	4,256	35,626
2018	27,673	1,027	1,508	30,208	4,264	34,472
2019	26,192	968	1,361	28,521	4,281	32,802
2020	13,595	520	452	14,567	2,576	17,143
2021	12,377	554	298	13,229	3,130	16,359
2022	13,529	627	402	14,558	3,572	18,130
2023	14,911	702	499	16,112	3,995	20,107
2024	16,970	678	534	18,182	4,859	23,041
2025 Est.	17,101	738	538	18,377	6,480	24,857

\*Ridership includes companions and personal care attendants



This document was produced under the direction of Melinda Metzger, *Executive Director*, and would not be possible without the support of the following people:

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Fiscal Year Beginning

**January 01, 2025**

*Christopher P. Morill*

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Pace Suburban Bus Service, Illinois, for its Annual Budget for the fiscal year beginning January 01, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



