

Greater Cleveland Regional Transit Authority



Operational Planning & Infrastructure Committee

2020 Budget Development
December 3, 2019

Kay Sutula

Director, Office of Management and Budget

Budget Schedule

Committee Meeting
Public Hearing

Nov. 12, 2019

Committee Meeting
Public Hearing

Dec. 3, 2019

Board Meeting
Adopt 2020 General Fund Budget
Amend 2019 General Fund Budget

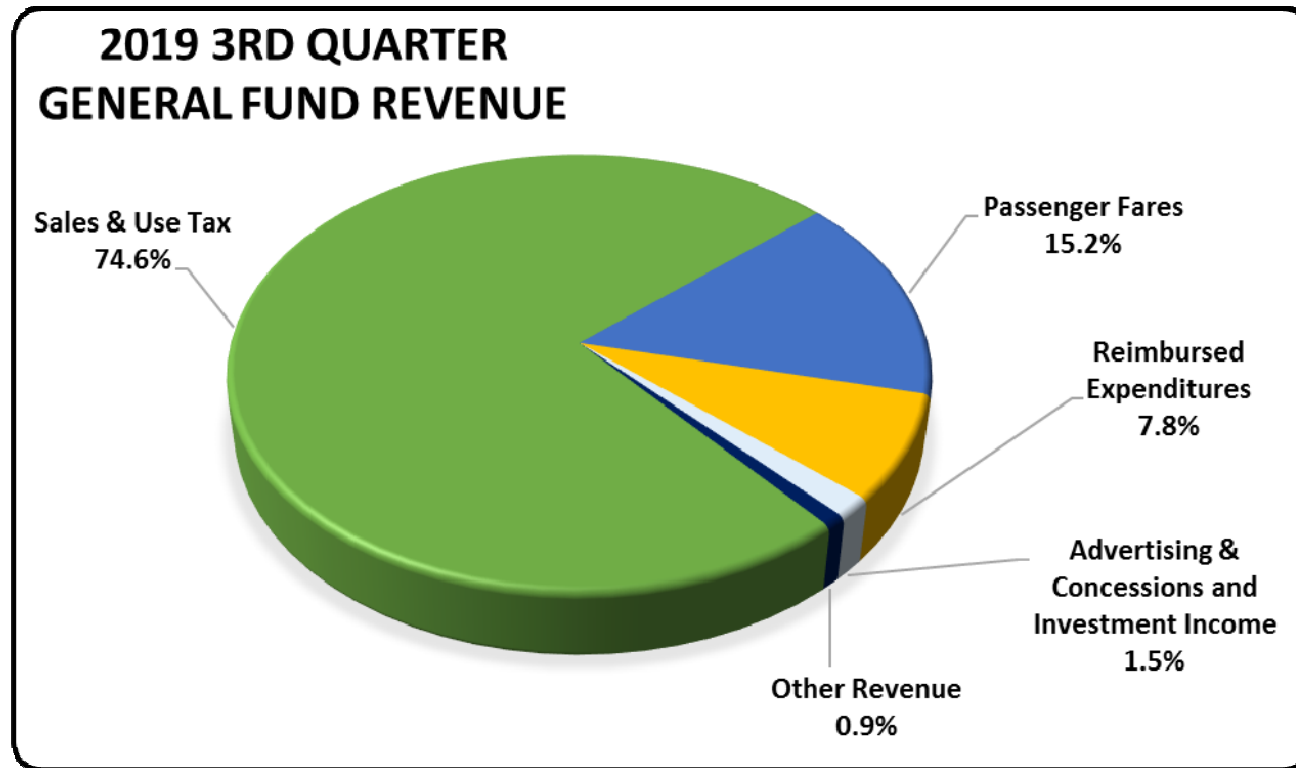
Dec. 17, 2019



2019 Budget Execution



General Fund Revenue Sources

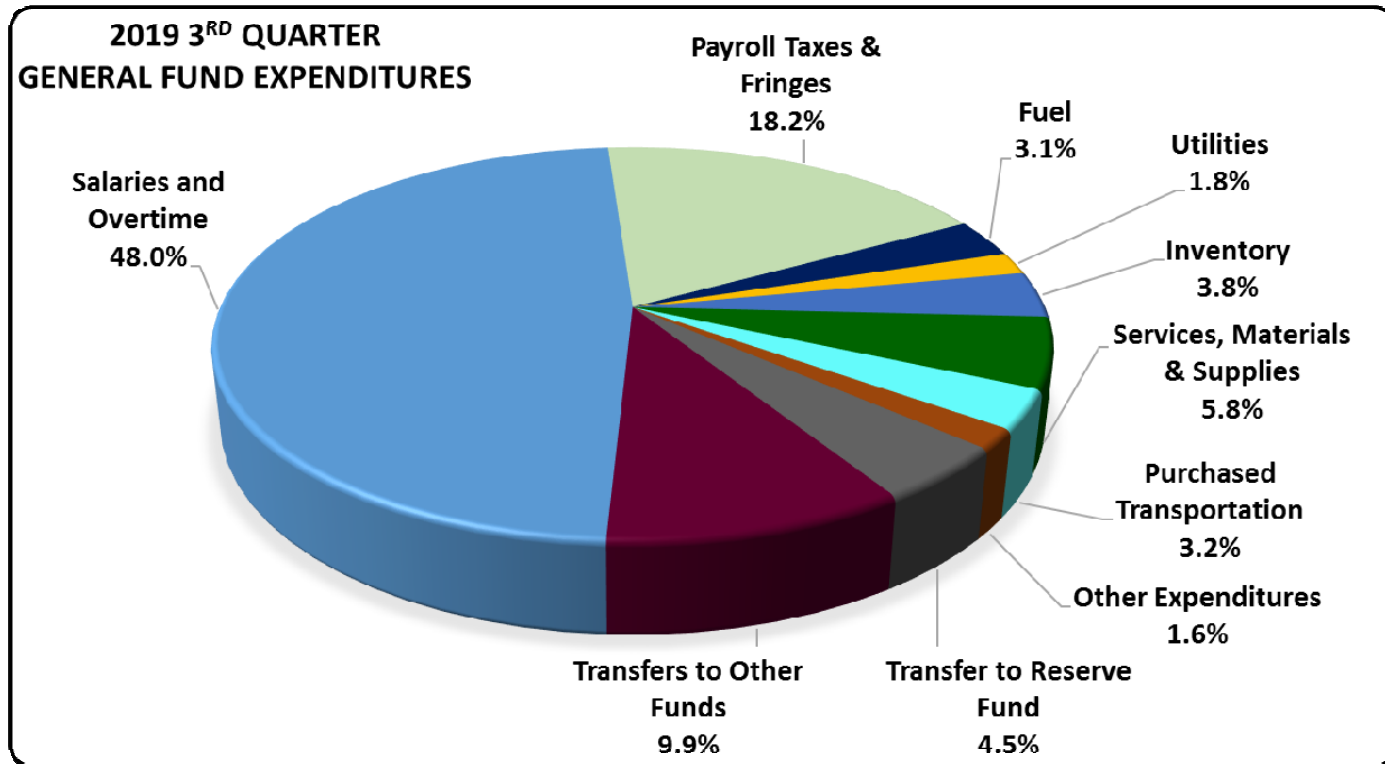


2019 General Fund Revenues

(in Millions)	2018 Actual	2019 Amended Budget	2019 3Q Estimate
Beginning Balance	\$34.9	\$39.0	\$39.0
Sales & Use Tax	204.3	207.4	211.2
Passenger Fares	46.6	46.5	43.2
Reimbursed Expenditures	22.7	22.1	22.1
Advertising/Interest/Other	3.7	4.9	6.6
State Aid for MCO Loss	18.3	0.0	0.0
Total Revenues	\$295.6	\$280.8	\$283.1
Total Resources	\$330.5	\$319.8	\$322.1



General Fund Expenditures



2019 General Fund Expenditures

(in Millions)	2018 Actual	2019 Amended Budget	2019 3Q Estimate
Operating Expenditures			
Salaries & Overtime	\$134.5	\$138.6	\$136.9
Payroll Taxes & Fringes	51.5	53.9	51.8
Fuel (Diesel, CNG, propane, propulsion Power, Gas)	9.4	10.3	9.0
Utilities	4.6	5.3	5.2
Inventory	13.0	13.4	10.8
Services, Materials & Supplies	16.6	18.4	16.5
Purchased Transportation	9.9	8.4	9.1
Other Expenditures	5.0	6.3	4.6
Total Operating Expenditures	\$244.4	\$254.5	\$243.9
Transfers to Funds	47.2	37.8	41.1
Total Expenditures	\$291.5	\$292.3	\$285.0

2019 General Fund Balance

(in Millions)	2019 Amended Budget	2019 3Q Estimate
Beginning Balance	\$39.0	\$39.0
Total Revenues	\$280.8	\$283.1
Total Resources	\$319.8	\$322.1
Total Operating Expenditures	\$254.5	\$243.9
Transfer to Insurance Fund	2.7	2.7
Transfer to Pension Fund	0.1	0.1
Transfer to Bond Retirement Fund	15.2	13.3
Transfer to Capital Improvement Fund	11.9	12.0
Transfer to Reserve Fund	8.0	13.0
Total Expenditures	\$292.3	\$285.0
Available Ending Balance	\$27.4	\$37.1



2020 Budget Development & Assumptions

Greater Cleveland Regional Transit Authority



Assumptions

Revenue Source	FY 2020 Budget	FY 2021 Plan	FY 2022 Plan
Inflation	1.8% - 2.1%	1.8% - 2.1%	1.8% - 2.1%
Interest Rates	1.75% - 2.5%	1.75% - 2.5%	1.75% - 2.5%
Sales & Use Tax	2%	1.5%	1.5%
Passenger Fares	-4%	-4%	-4%
Preventive Maintenance	\$20 M	\$20 M	\$20 M
Investment Income	2.1%	2.1%	2.1%



2020 General Fund Revenues

(in Millions)	2019 3 rd Quarter Estimate	2020 Budget	2021 Plan	2022 Plan
Beginning Balance	\$39.0	\$37.1	\$25.0	\$19.1
Sales & Use Tax	211.2	215.4	218.6	221.9
Passenger Fares	43.2	41.4	39.8	38.2
Reimbursed Expenditures	22.1	21.5	21.5	21.5
Advertising/Interest/Other	6.6	5.4	5.0	4.9
Total Revenues	\$283.1	\$283.7	\$284.9	\$286.5
Total Resources	\$322.1	\$320.8	\$309.9	\$305.6



2020 General Fund Expenditures

(in Millions)	2019 3 rd Quarter Est.	2020 Budget	2021 Plan	2022 Plan
Operating Expenditures				
Salaries & Overtime	\$136.9	\$143.7	\$142.4	\$142.9
Payroll Taxes & Fringes	51.8	53.4	53.3	53.4
Fuel (Diesel, CNG, Prop. Pwr, Propane, Gas)	9.0	9.4	9.3	9.2
Utilities	5.2	5.7	5.6	5.4
Inventory	10.8	13.7	14.6	14.6
Services, Materials & Supplies	16.5	19.4	19.0	19.2
Purchased Transportation	9.1	10.3	10.4	9.9
Other Expenditures	4.6	6.6	6.3	6.2
Total Operating Expenditures	\$243.9	\$262.2	\$261.1	\$260.8
Transfer from Reserve Fund	0.0	-1.5	0.0	0.0
Transfer to Reserve Fund	13.0	5.9	5.9	5.9
Transfers to Other Funds	28.1	29.9	23.8	25.0
Total Expenditures	\$285.0	\$295.8	\$290.8	\$291.6



2020 General Fund Balance

(in Millions)	2020 Budget	2021 Plan	2022 Plan
Beginning Balance	\$37.1	\$25.0	\$19.1
Total Revenues	283.6	285.0	286.5
Total Resources	\$320.8	\$309.9	\$305.6
Operating Expenditures	\$262.2	\$261.1	\$260.8
Total Transfers	33.6	29.7	30.9
Total Expenditures	\$295.8	\$290.8	\$291.6
Available Ending Balance	\$25.0	\$19.2	\$14.1



Proposed Change – 2019 Amended Budget

\$5M Increase to Reserve Fund

Original Budget (Dec. 2018)	\$ 0.0M
Amended Budget (Mar. 2019)	\$ 6.0M
Amended Budget (Dec. 2019)	\$11.0M



Reserve Fund – Rail Car Replacement

(in Millions)	FY 2017	FY 2018	FY 2019 Est.	FY 2020 Budget	FY 2021 Plan	FY 2022 Plan
Total Revenues	\$10.0	\$5.0	\$11.0	\$5.0	\$5.0	\$5.0
Total Expenditures	2.0	0.0	0.0	0.0	2.4	5.2
Rolling Balance (including Interest)	\$10.0	\$17.6	\$28.9	\$34.2	\$37.3	\$37.6

Public Hearing

Greater Cleveland Regional Transit Authority



**Staff requests that the
Operational Planning & Infrastructure Committee
Recommend the proposed 2019 Amended Budget
and 2020 Budget to the full Board for approval**