

# 2019 Budget Development

Presented to:

Operational Planning & Infrastructure Committee

Office of Management & Budget

November 13, 2018

Greater Cleveland Regional Transit Authority



# Agenda

- Budget Schedule
- 2018 Budget Execution
- 2019 Budget Development & Assumptions
- Proposed Changes
  - 2018 General Fund Budget
  - 2019 Capital Budget
- 2019 Service Plan
- Public Hearing

# 2019 Operating Budget Schedule

- Committee Meeting Nov. 13, 2018
- Public Hearing
- Committee Meeting Dec. 4, 2018
- Public Hearing
- Board Meeting Dec. 18, 2018
  - Adopt 2019 Operating Budget
  - Amend 2018 Operating Budget
  - Amend 2019 Capital Budget

# 2018 Budget Execution

Greater Cleveland Regional Transit Authority



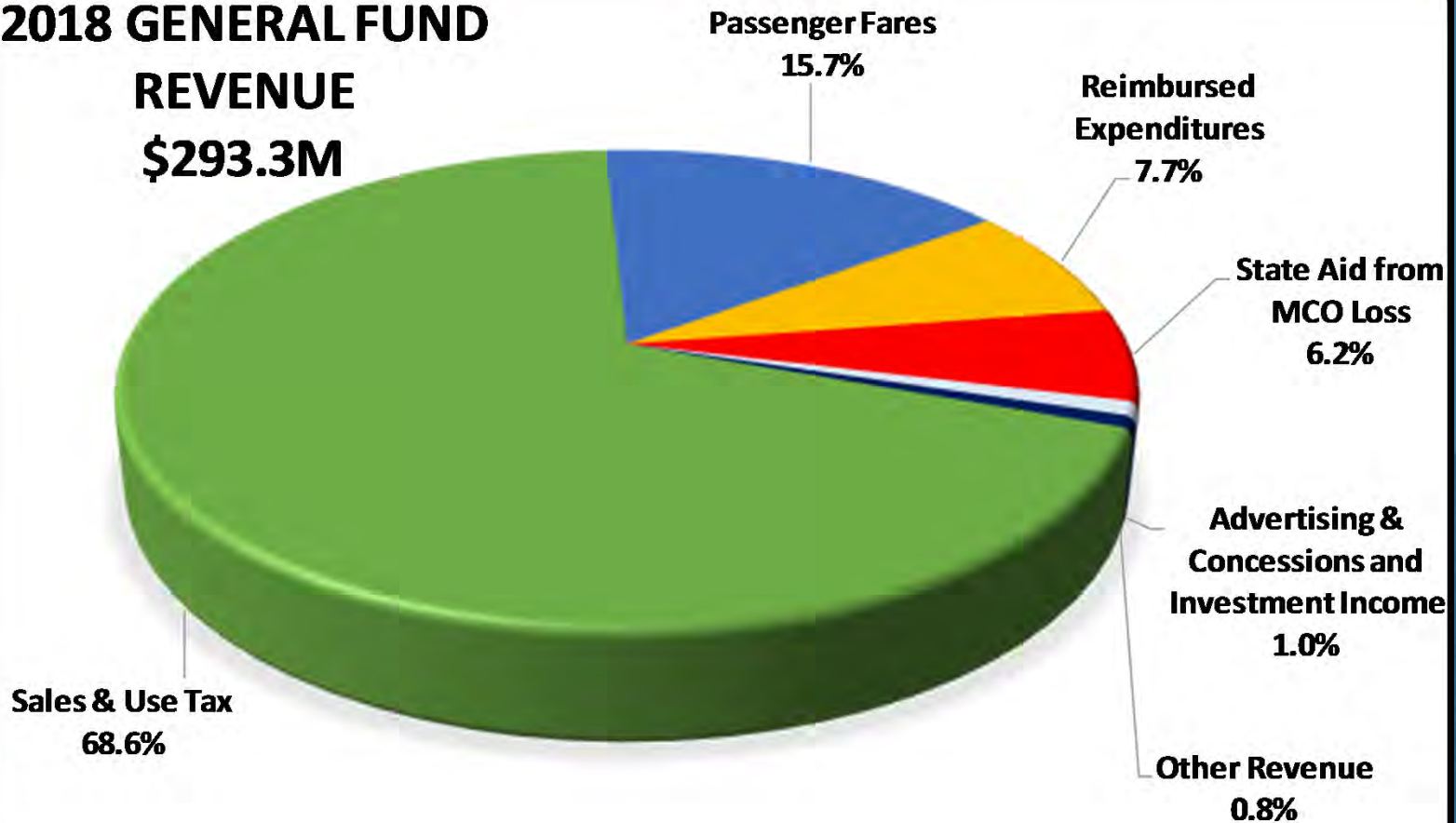
# 2018 General Fund Revenues

(in Millions)	2017 Actual	2018 Amended Budget	2018 3Q Estimate
<b>Beginning Balance</b>	<b>\$33.3</b>	<b>\$34.9</b>	<b>\$34.9</b>
Sales & Use Tax	213.7	197.8	201.3
Passenger Fares	45.4	42.9	45.9
Reimbursed Expenditures	22.8	22.7	22.7
Advertising/Interest/Other	4.6	4.4	5.1
State Aid for MCO Loss	10.0	15.1	18.3
<b>Total Revenues</b>	<b>\$296.6</b>	<b>\$282.9</b>	<b>\$293.3</b>
<b>Total Resources</b>	<b>\$329.9</b>	<b>\$317.7</b>	<b>\$328.1</b>



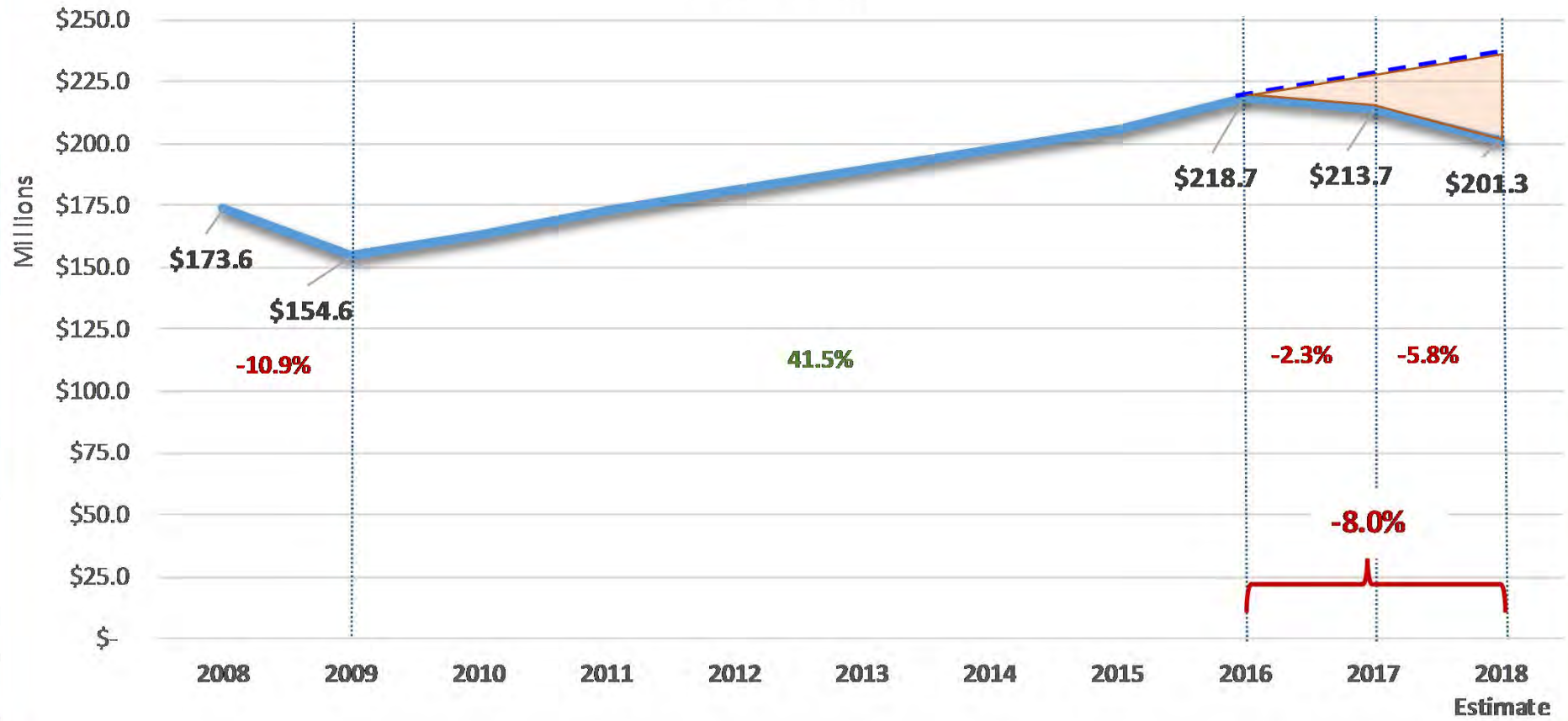
# Where the Money Comes From

**2018 GENERAL FUND  
REVENUE  
\$293.3M**

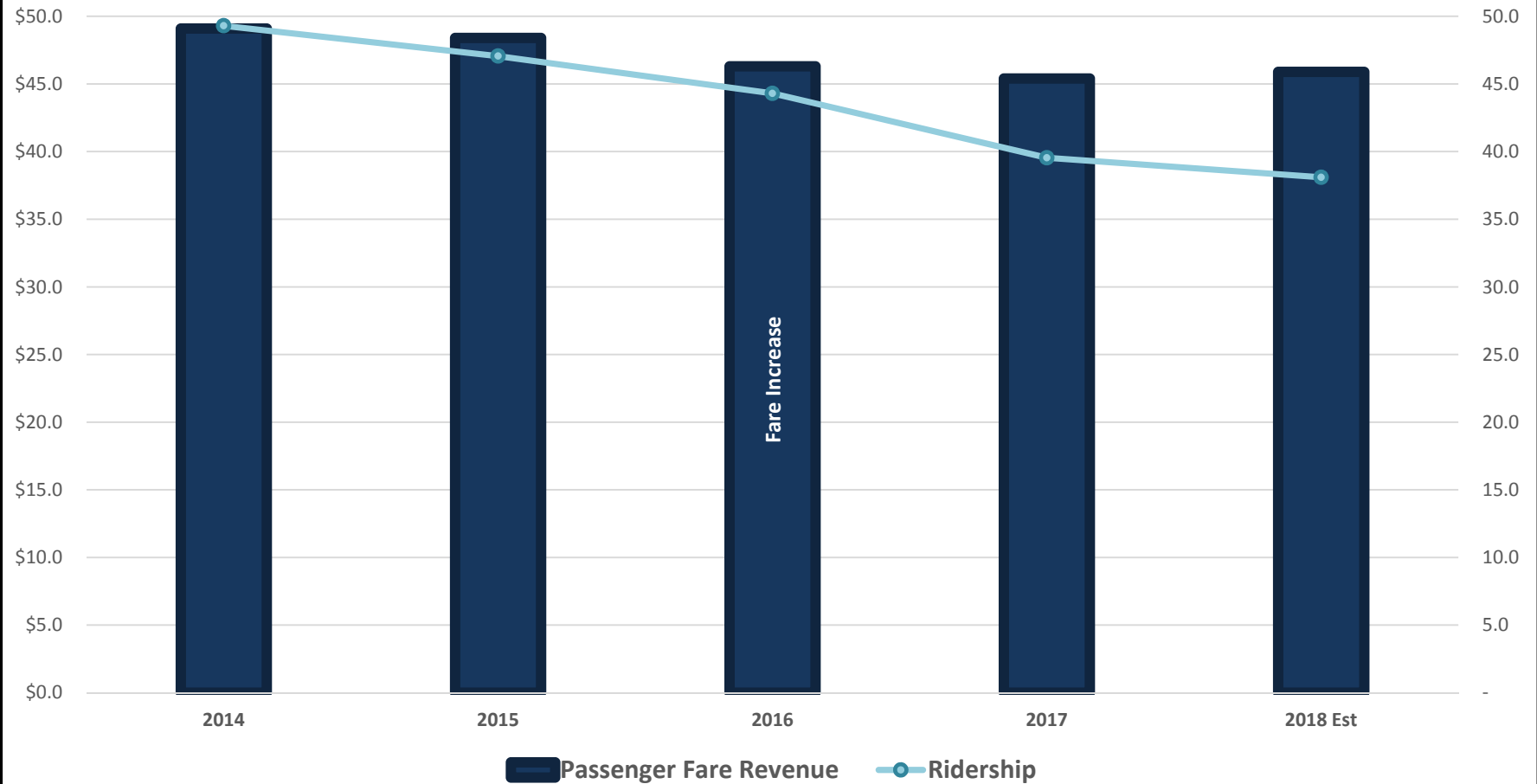




## Sales & Use Tax Revenue (in Millions)



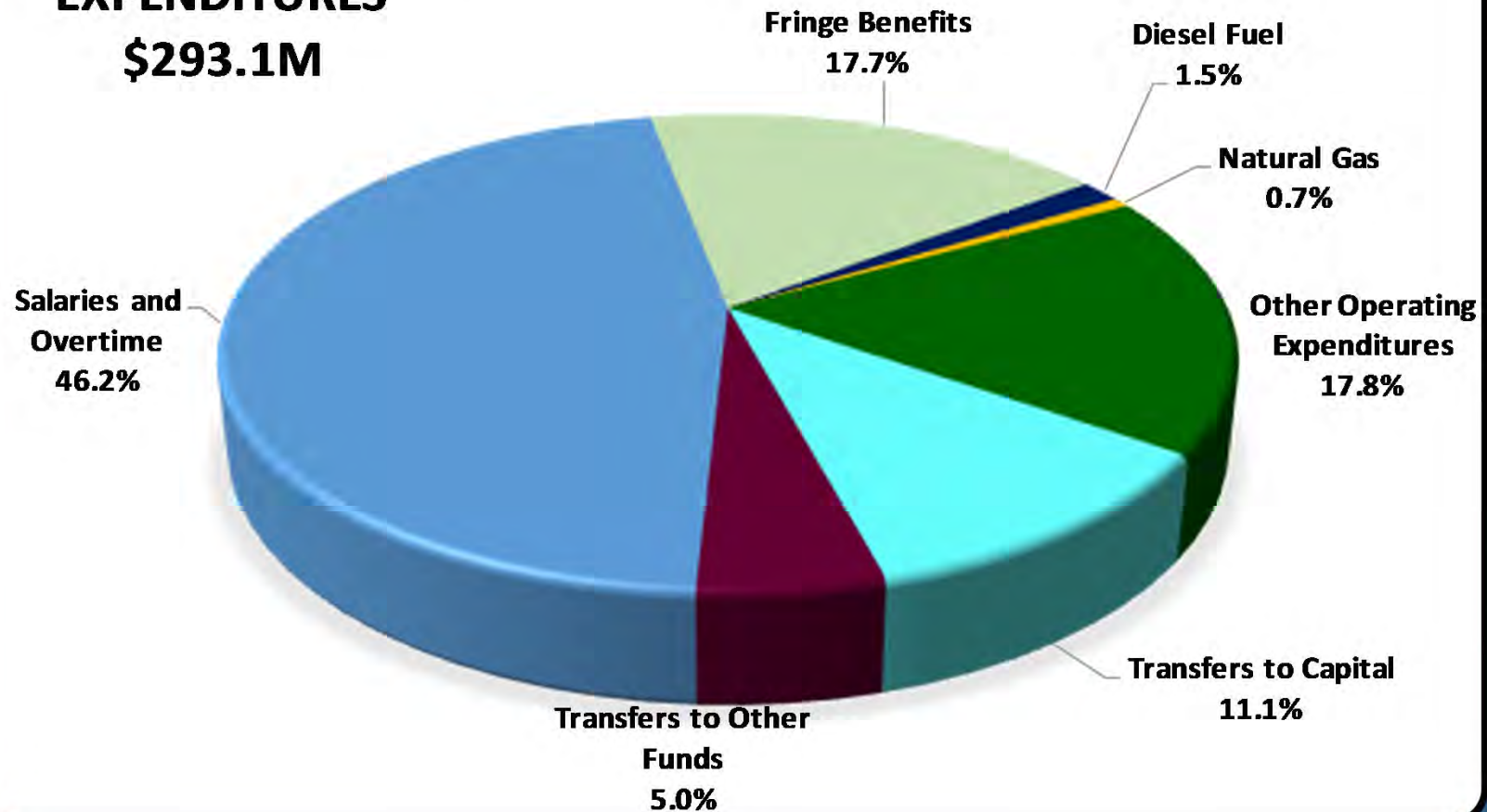
### Passenger Fare Revenue & Ridership





# Where the Money Goes

## 2018 GENERAL FUND EXPENDITURES \$293.1M



# 2018 General Fund Expenditures

(in Millions)	2017 Actual	2018 Amended Budget	2018 3Q Estimate
<b>Operating Expenditures</b>			
Salaries & Overtime	\$135.4	\$138.2	\$135.4
Payroll Taxes & Fringes	51.6	53.6	51.9
Diesel Fuel	6.5	5.0	4.6
Natural Gas	1.9	1.9	1.9
Other Expenditures	52.2	55.5	52.1
<b>Total Operating Expenditures</b>	<b>247.7</b>	<b>254.1</b>	<b>245.8</b>
Transfers to Funds	47.3	33.5	47.2
<b>Total Expenditures</b>	<b>\$295.1</b>	<b>\$287.4</b>	<b>\$293.1</b>

# 2018 General Fund Balance

(in Millions)	2018 Amended Budget	2018 3Q Estimate
<b>Beginning Balance</b>	<b>\$34.9</b>	<b>\$34.9</b>
<b>Total Revenues</b>	<b>\$282.8</b>	<b>\$293.3</b>
<b>Total Resources</b>	<b>\$317.7</b>	<b>\$328.1</b>
Total Operating Expenditures	\$254.1	\$245.8
Transfer to Insurance Fund	2.3	7.3
Transfer to Pension Fund	0.1	0.1
Transfer to Bond Retirement Fund	18.9	17.3
Transfer to Capital	9.9	15.3
Transfer to Reserve Fund	2.4	7.4
<b>Total Expenditures</b>	<b>\$287.4</b>	<b>\$293.1</b>
<b>Available Ending Balance</b>	<b>\$30.3</b>	<b>\$35.1</b>



# 2019 Budget Development & Assumptions

Greater Cleveland Regional Transit Authority

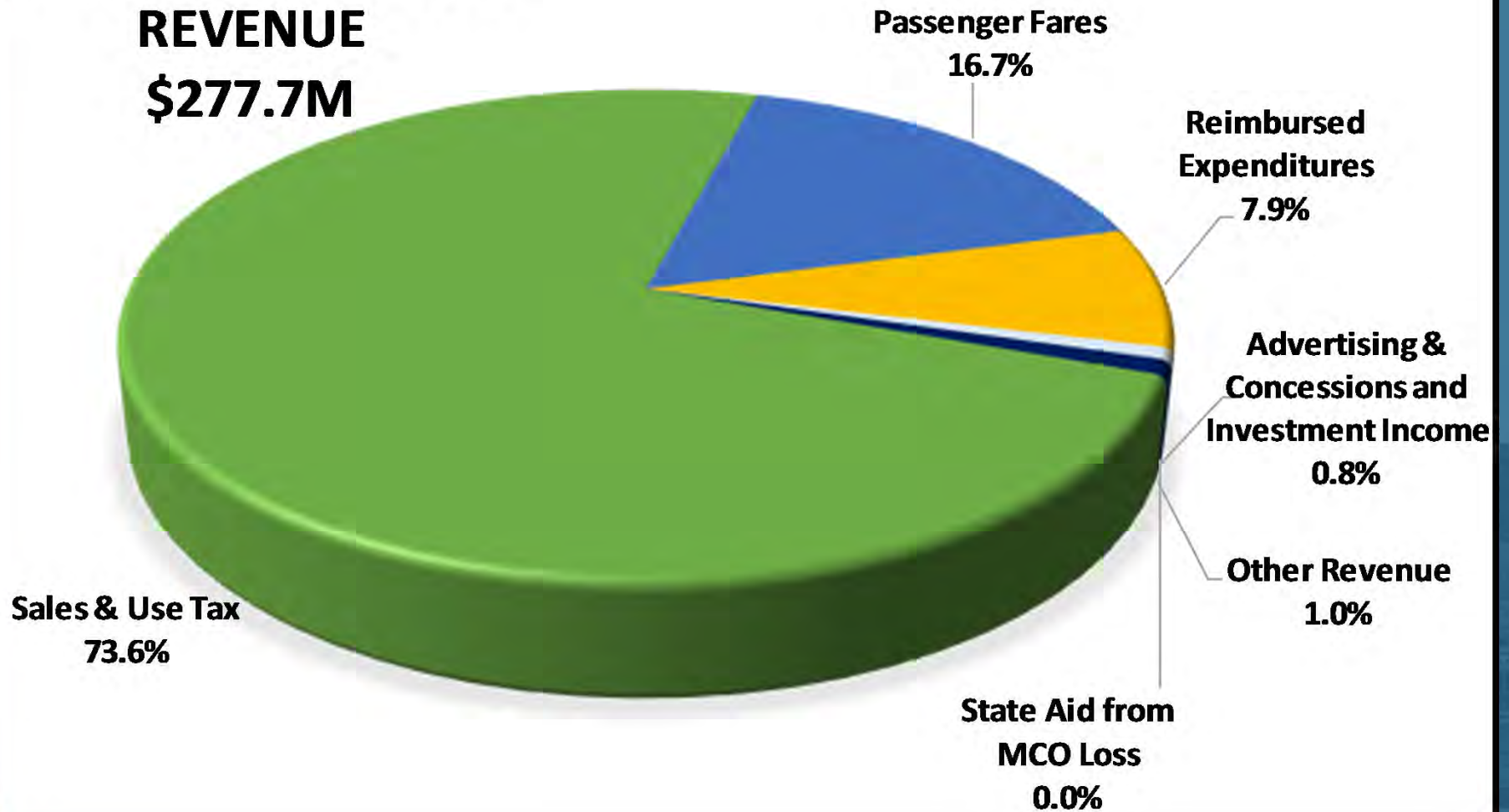


# 2019 General Fund Revenues

(in Millions)	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
<b>Beginning Balance</b>	<b>\$35.1</b>	<b>\$26.4</b>	<b>\$17.9</b>	<b>\$5.6</b>	<b>-\$5.3</b>
Sales & Use Tax	204.3	207.4	210.5	213.6	216.8
Passenger Fares	46.5	46.3	46.0	45.8	45.6
Reimbursed Expenditures	22.1	22.1	22.1	22.1	22.1
Advertising/Interest/Other	4.9	4.7	4.4	4.5	4.5
State Aid for MCO Loss	0	0	0	0	0
Transfer from Reserve Fund	0	1.5	0	0	0
<b>Total Revenues</b>	<b>\$277.7</b>	<b>\$281.8</b>	<b>\$283.0</b>	<b>\$286.0</b>	<b>\$288.9</b>
<b>Total Resources</b>	<b>\$312.8</b>	<b>\$308.3</b>	<b>\$300.9</b>	<b>\$291.6</b>	<b>\$283.6</b>

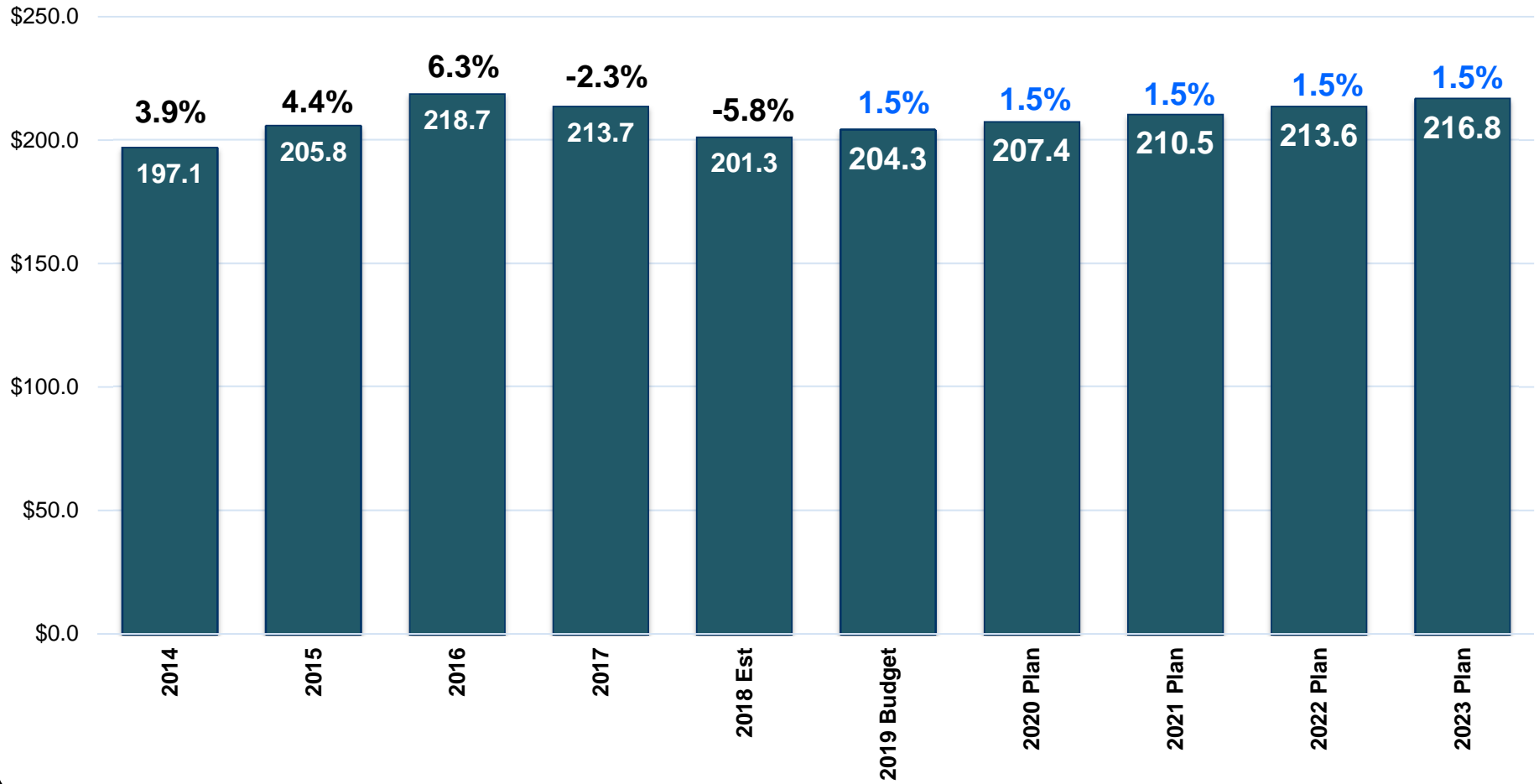


# 2019 GENERAL FUND REVENUE \$277.7M

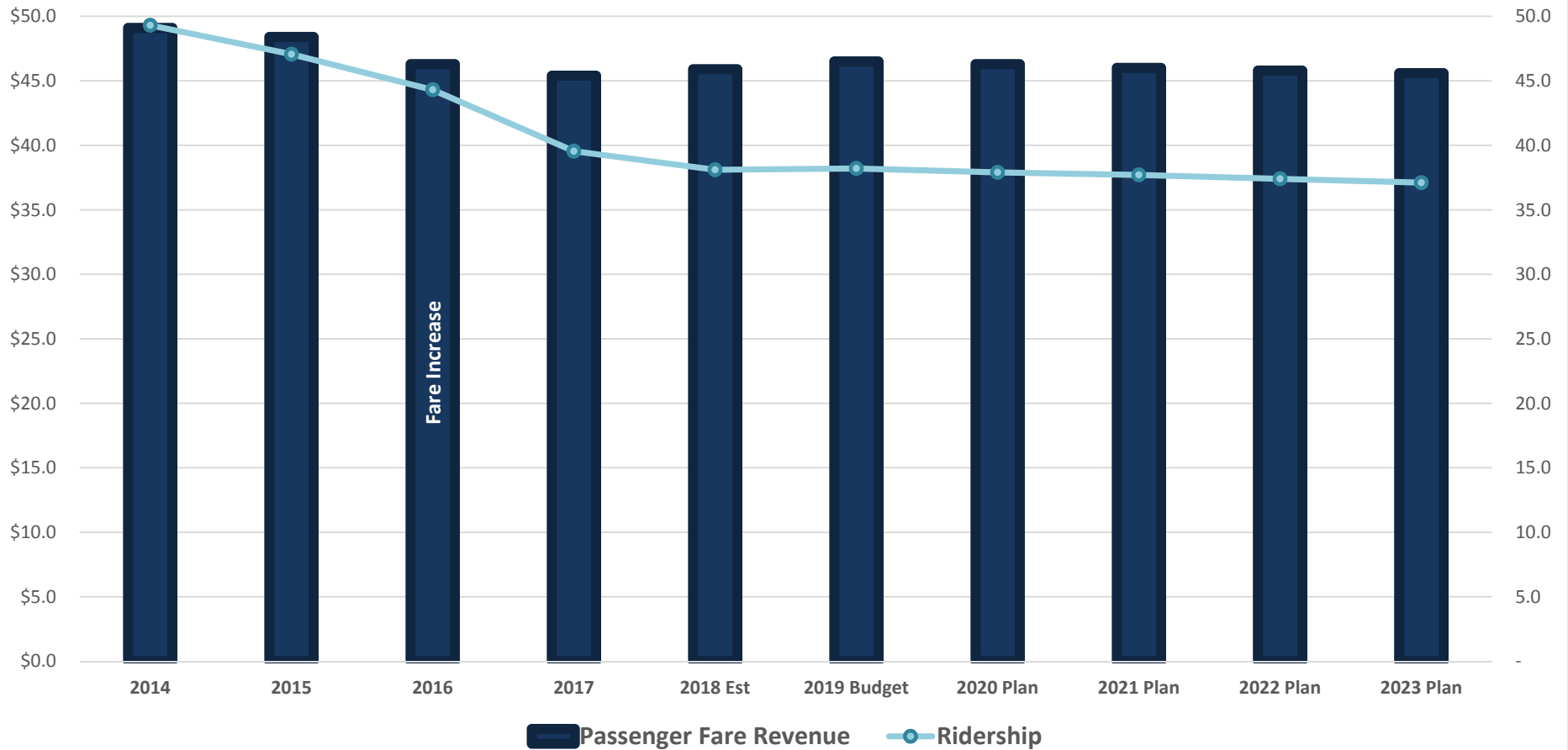




### Sales & Use Tax Revenue (in Millions)



### Passenger Fare Revenue & Ridership

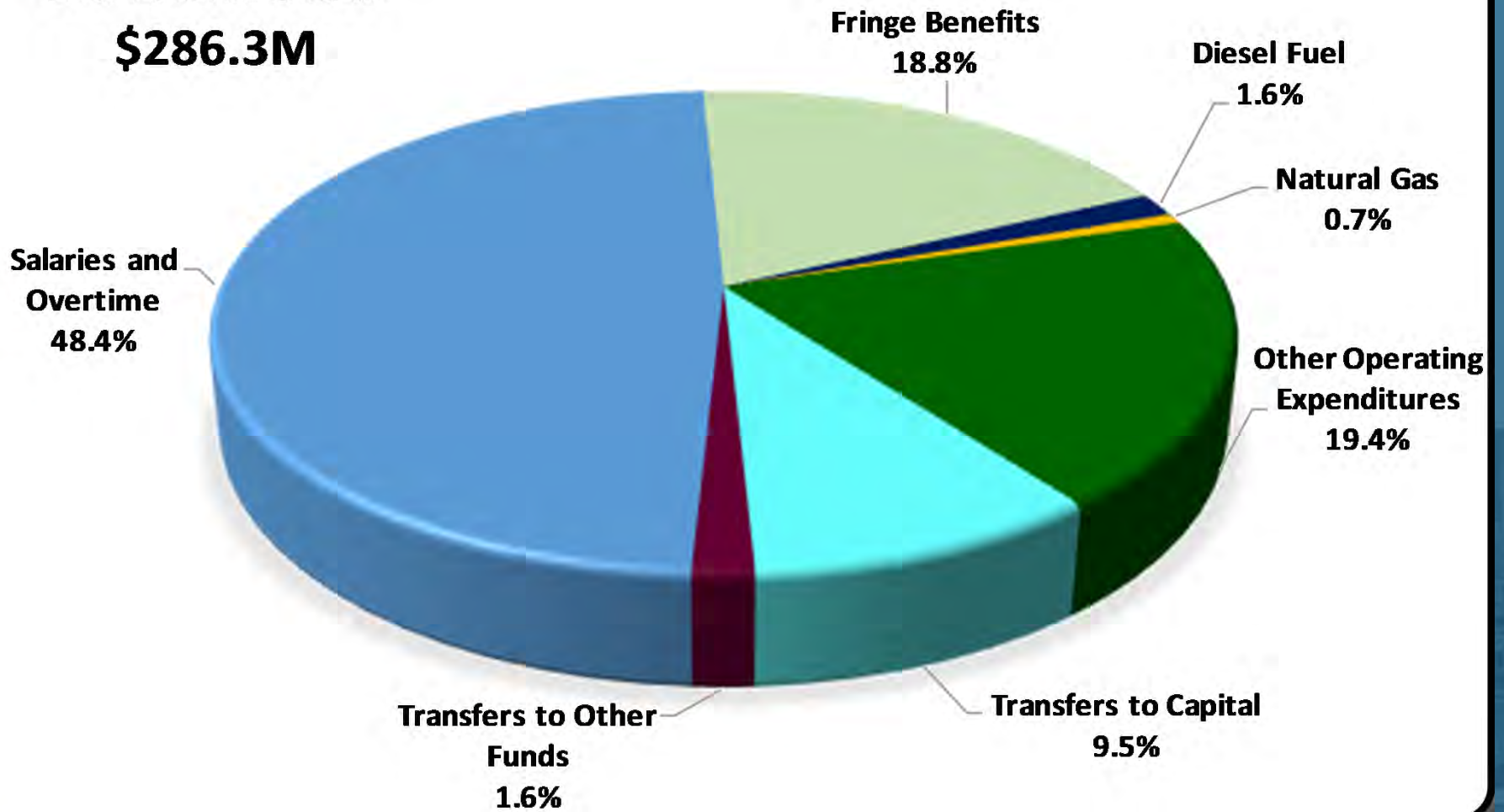


# 2019 General Fund Expenditures

(in Millions)	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
<b>Operating Expenditures</b>					
Salaries & Overtime	\$138.6	\$140.0	\$138.9	\$138.9	\$139.0
Payroll Taxes & Fringes	53.9	54.0	54.1	54.1	54.2
Diesel Fuel	4.6	4.4	4.3	4.2	4.0
Natural Gas	2.0	2.0	2.0	2.0	2.0
Other Expenditures	55.6	56.5	56.9	56.9	57.2
<b>Total Operating Expenditures</b>	<b>\$254.5</b>	<b>\$256.9</b>	<b>\$256.1</b>	<b>\$256.0</b>	<b>\$256.4</b>
Transfers to Funds	31.8	33.5	39.7	40.9	39.7
<b>Total Expenditures</b>	<b>\$286.3</b>	<b>\$290.3</b>	<b>\$295.3</b>	<b>\$296.9</b>	<b>\$296.1</b>

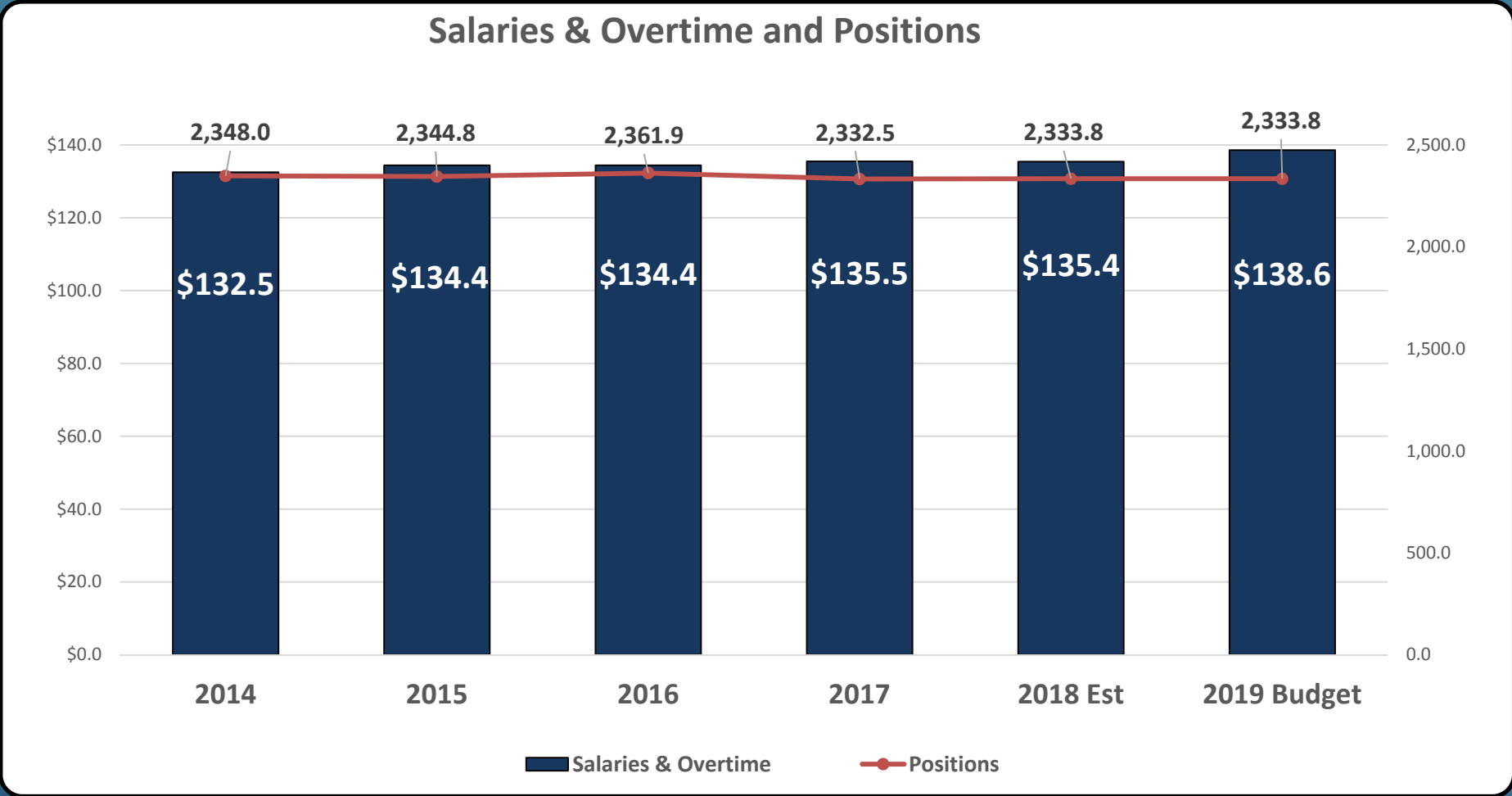


# 2019 GENERAL FUND EXPENDITURES \$286.3M



# Salaries & Overtime

## Salaries & Overtime and Positions



# 2019 General Fund Balance

(in Millions)	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
<b>Beginning Balance</b>	<b>\$35.1</b>	<b>\$26.4</b>	<b>\$17.9</b>	<b>\$5.6</b>	<b>-\$5.3</b>
Total Revenues	277.7	281.8	283.0	286.0	288.9
<b>Total Resources</b>	<b>\$312.8</b>	<b>\$308.3</b>	<b>\$300.9</b>	<b>\$291.6</b>	<b>\$283.6</b>
Operating Expenditures	\$254.5	\$256.9	\$256.1	\$256.0	\$256.4
Total Transfers	31.8	33.5	39.3	40.9	39.7
<b>Total Expenditures</b>	<b>\$286.3</b>	<b>\$290.3</b>	<b>\$295.3</b>	<b>\$296.9</b>	<b>\$296.1</b>
<b>Available Ending Balance</b>	<b>\$26.4</b>	<b>\$17.9</b>	<b>\$5.6</b>	<b>-\$5.3</b>	<b>-\$12.5</b>





# 2017 – 2023 Revenues vs. Expenditures

(in Millions)	2017 Actual	2018 Est.	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
<b>Total Revenues</b>	\$296.6	\$293.3	\$277.7	\$281.8	\$283.0	\$286.0	\$288.9
<b>Total Expenditures</b>	\$295.1	\$293.1	\$286.3	\$290.3	\$295.3	\$296.9	\$296.1
<b>Revenues – Expenditures Excess/(Shortfall)</b>	\$1.5	\$0.2	-\$8.6	-\$8.5	-\$12.3	-\$10.9	-\$7.2



# Proposed Change – 2018 Amended Budget

- \$15 million increase to Transfers
  - Insurance Fund
  - Capital Improvement Fund
  - Reserve Fund

# Proposed Change – 2019 Capital Budget

- \$4.2 M increase to Capital Improvement Fund
  - Combine 2 Rail track projects
    - Westpark Station to Airport Tunnel
    - Align budget with anticipated grants
  - Purchase printing press
- Increase: from \$63.9M to \$68.1M

# Questions

Greater Cleveland Regional Transit Authority



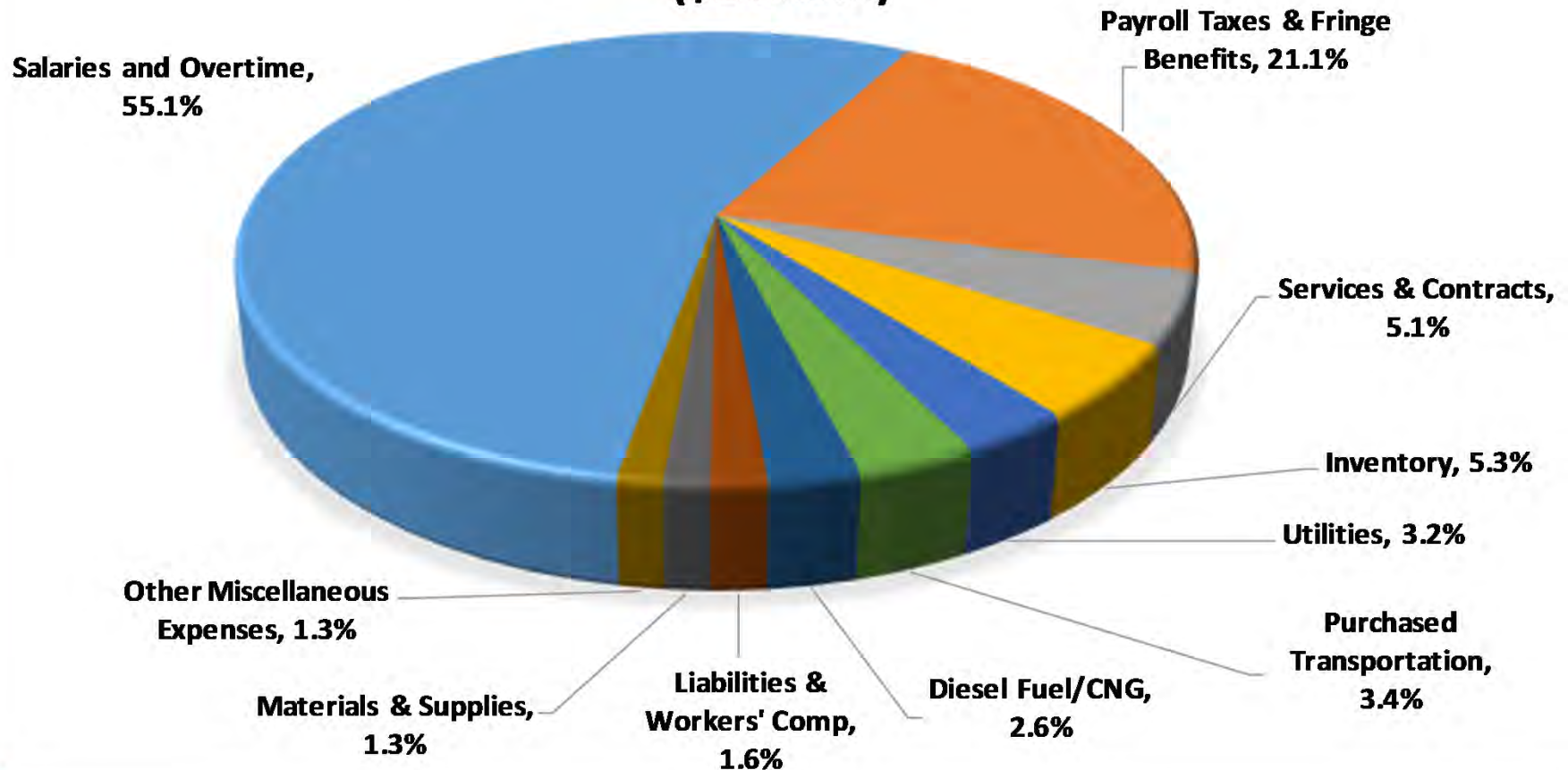
# Public Hearing

Greater Cleveland Regional Transit Authority



# 2018 Operating Expenses

## FY 2018 PROJECTED OPERATING BUDGET EXPENSES (\$245.8M)





# 2019 Operating Expenses

## FY 2019 PROPOSED OPERATING BUDGET EXPENSES (\$254.5M)

