

Operational Planning & Infrastructure Committee

2020 Budget Development

Presented by:

Kay Sutula, Director, OMB

November 12, 2019

Greater Cleveland Regional Transit Authority



Agenda

- Budget Schedule
- 2019 Budget Execution
- 2020 Budget Development & Assumptions
- Proposed Change
 - 2019 General Fund Budget
- 2020 Service Plan
- Public Hearing

Budget Schedule

- Committee Meeting Nov. 12, 2019
- Public Hearing
- Committee Meeting Dec. 3, 2019
- Public Hearing
- Board Meeting Dec. 17, 2019
 - Adopt 2020 General Fund Budget
 - Amend 2019 General Fund Budget



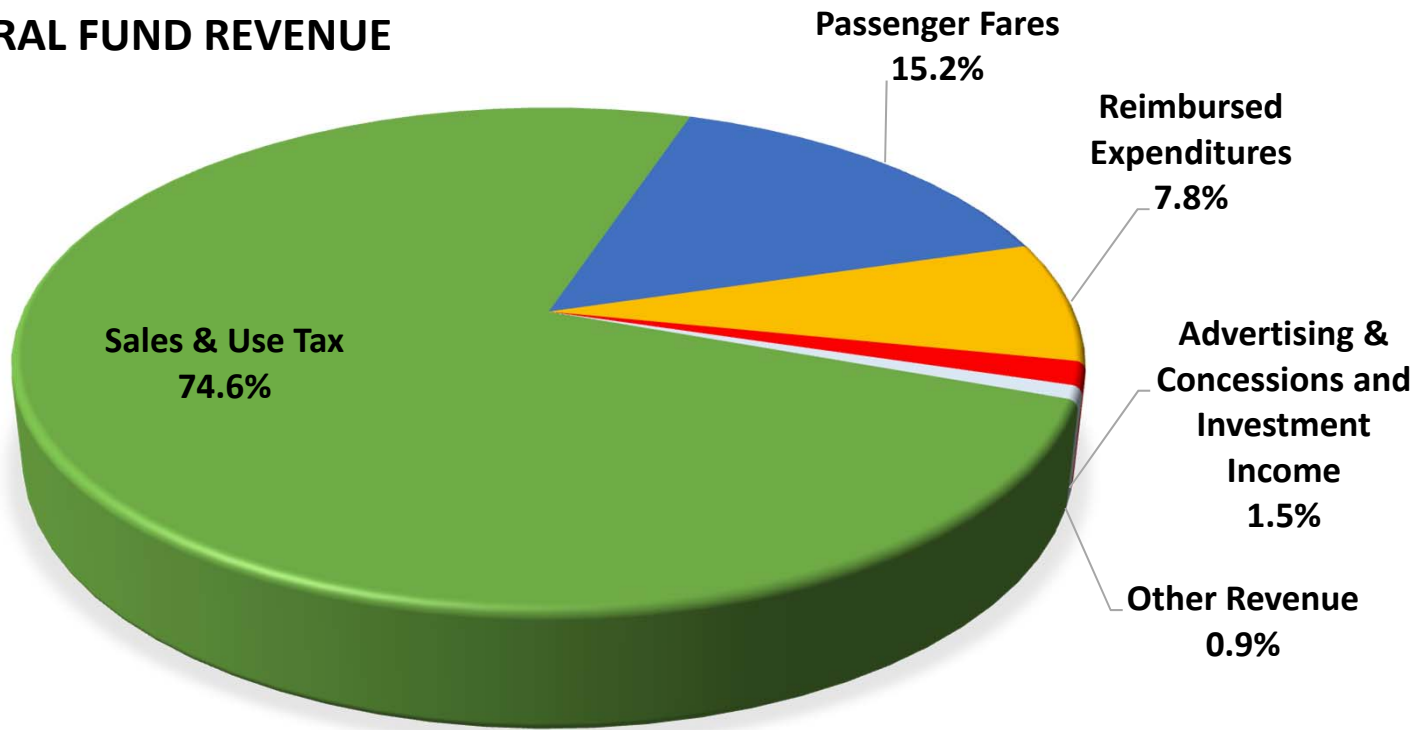
2019 Budget Execution

Greater Cleveland Regional Transit Authority



Where the Money Comes From

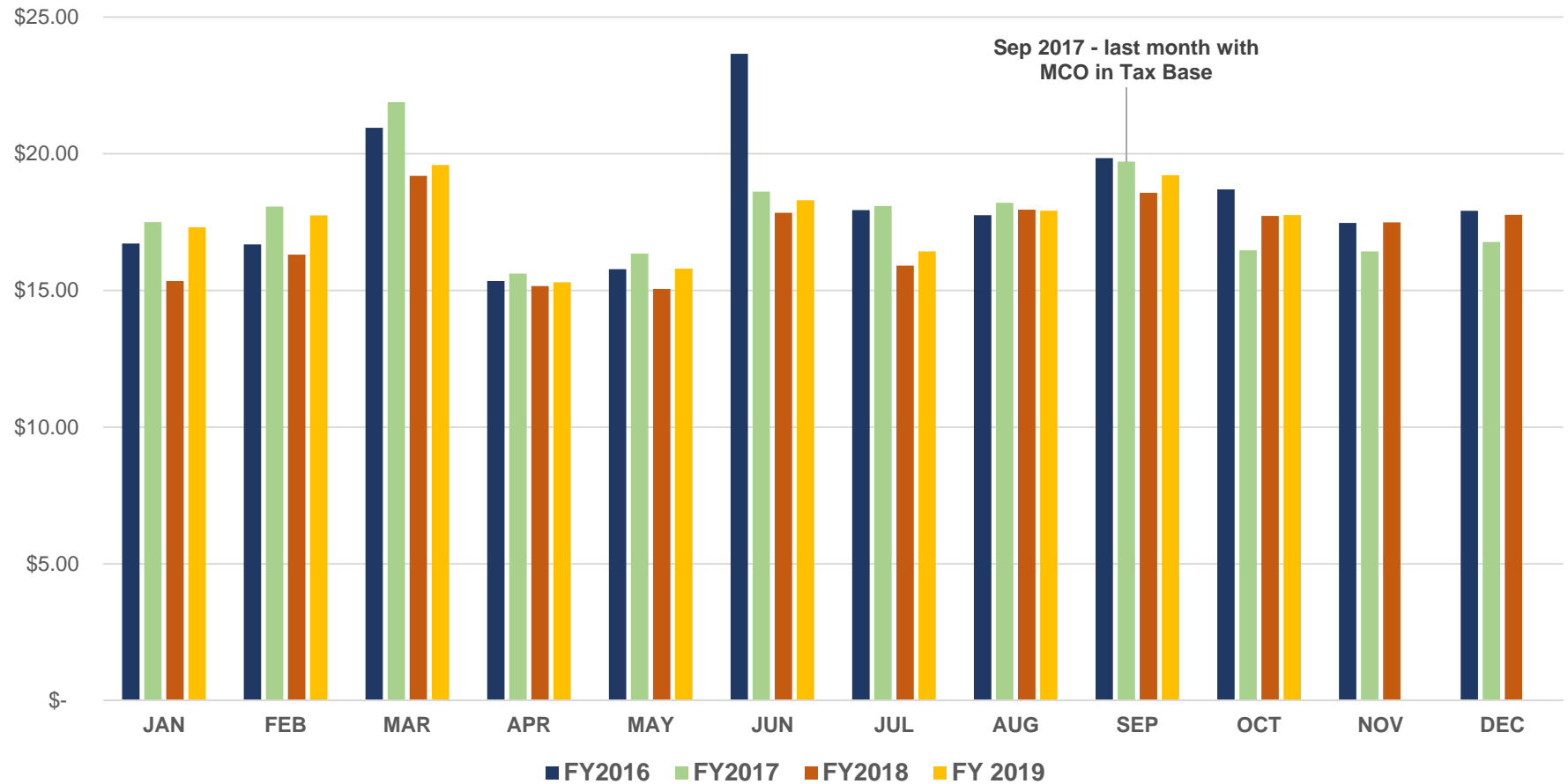
2019 3RD QUARTER GENERAL FUND REVENUE



2019 General Fund Revenues

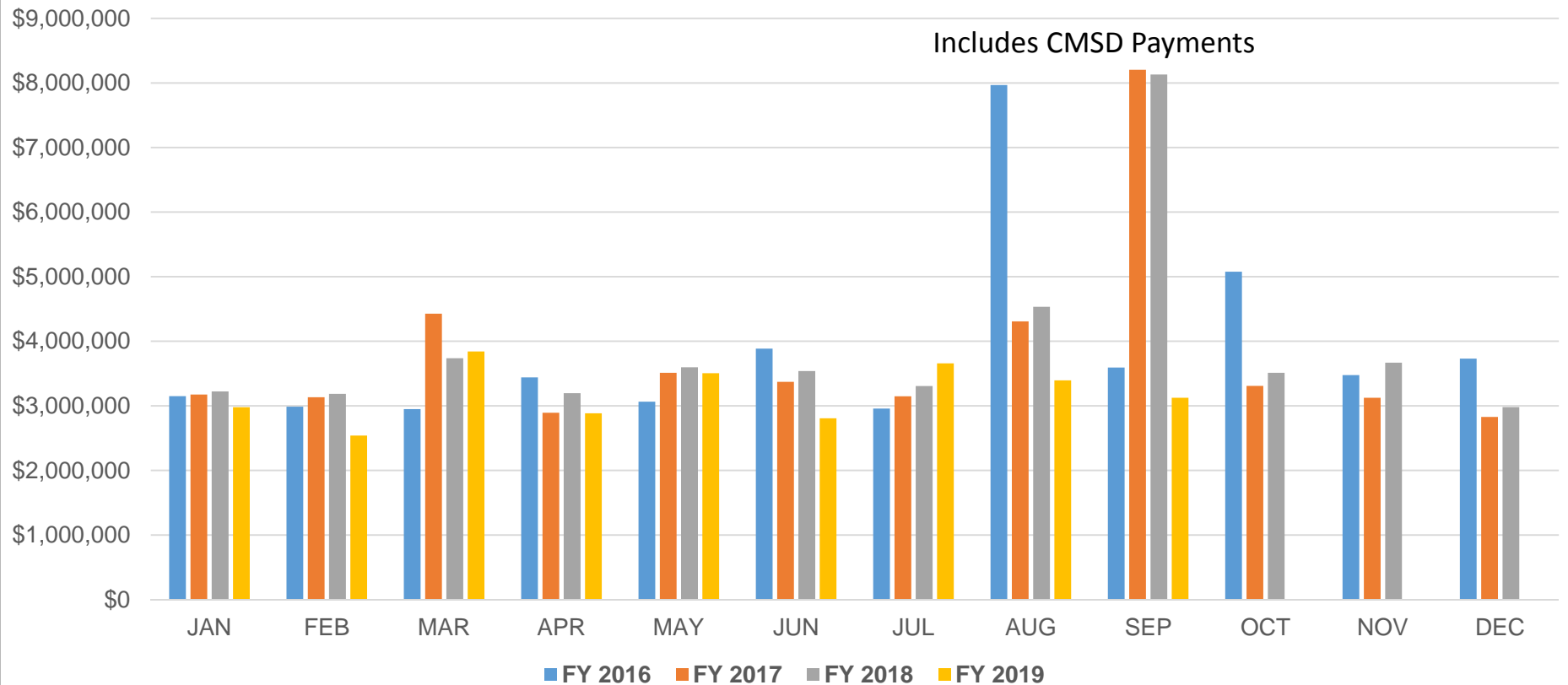
(in Millions)	2018 Actual	2019 Amended Budget	2019 3Q Estimate
Beginning Balance	\$34.9	\$39.0	\$39.0
Sales & Use Tax	204.3	207.4	211.2
Passenger Fares	46.6	46.5	43.2
Reimbursed Expenditures	22.7	22.1	22.1
Advertising/Interest/Other	3.7	4.9	6.6
State Aid for MCO Loss	18.3	0.0	0.0
Total Revenues	\$295.6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

Sales Tax Receipts by Month (in Millions)



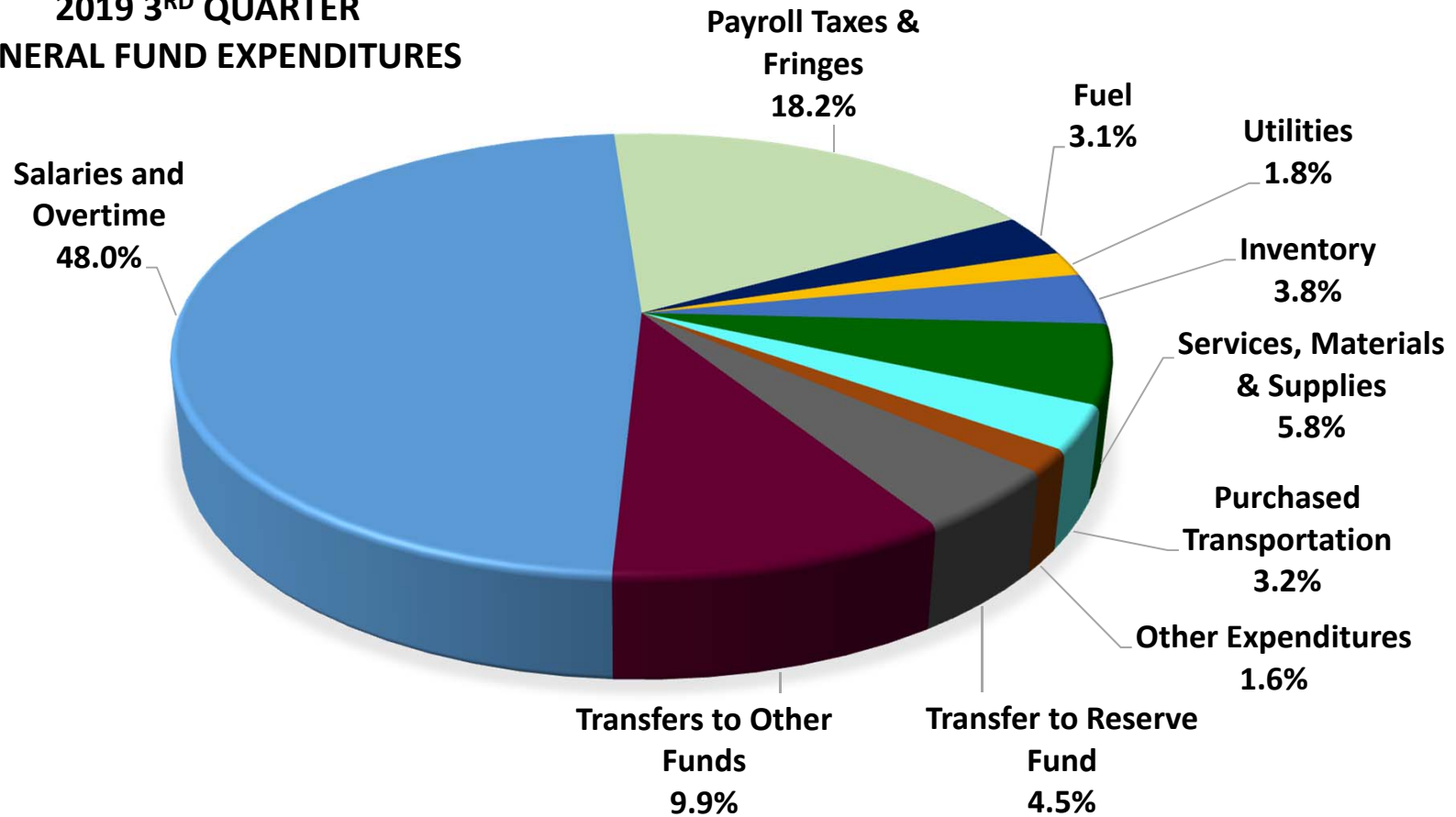
Passenger Fare Receipts by Month

Includes CMSD Payments



Where the Money Goes

2019 3RD QUARTER 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%



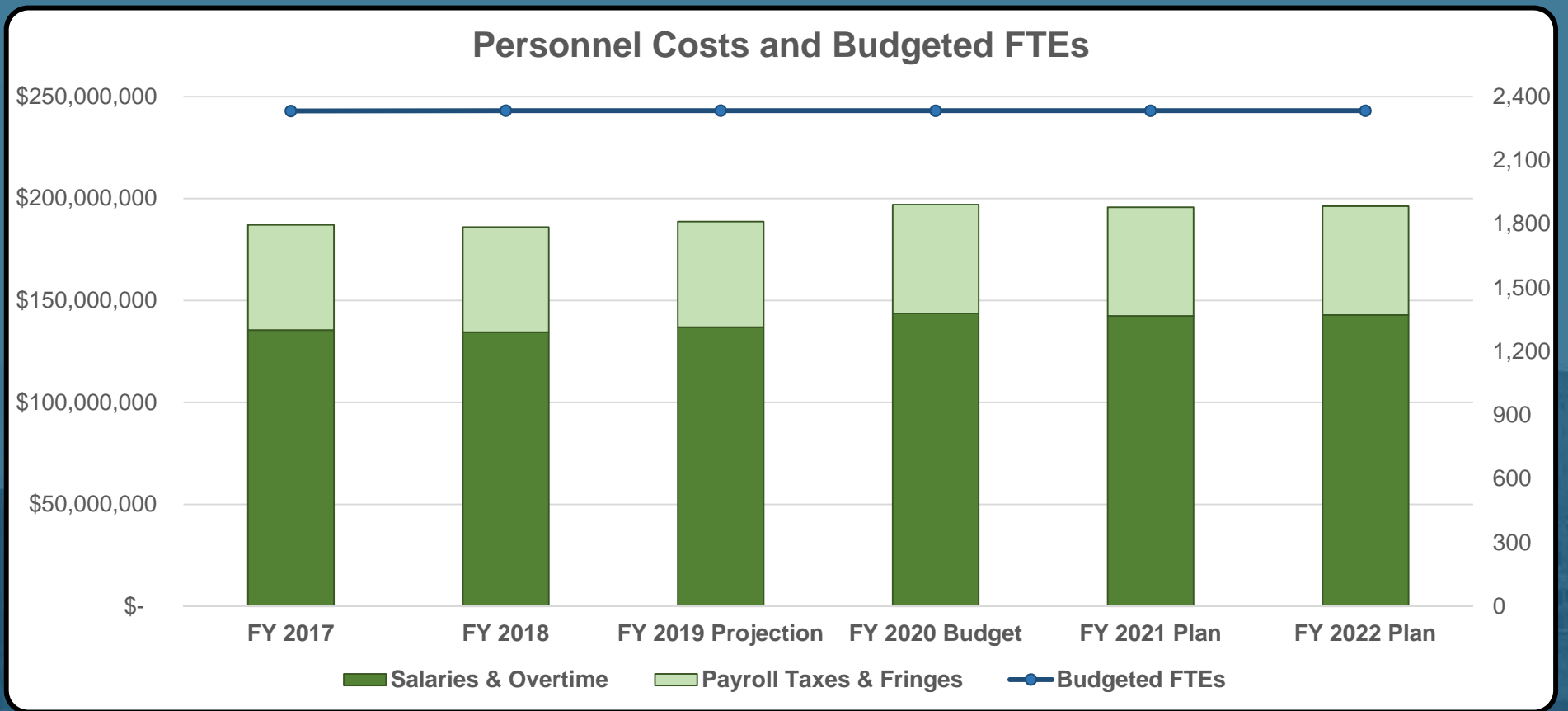
2020 General Fund Revenues

(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

Personnel Costs



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



2018 – 2022 Revenues vs. Expenditures

(in Millions)	FY 2018	FY 2019 Est.	FY 2020 Budget	FY 2021 Plan	FY 2022 Plan
Total Revenues	\$295.6	\$283.1	\$283.6	\$285.0	\$286.5
Total Expenditures	\$291.5	\$285.0	\$295.8	\$290.8	\$291.6
Revenues – Expenditures Excess/(Shortfall)	\$4.09	-\$1.82	-\$12.16	-\$5.81	-\$5.10



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

○ LTK Rail Car Study:

- 34 HR Vehicles \$102 M
- Minimum Local Match Needed (20%) \$20.4 M
- 34 HRV + 24 LRV + Upgrades \$240 M
- Minimum Local Match Needed (20%) \$48.0 M

Proposed Change – 2019 Amended Budget

- \$5 million increase to Reserve Fund

- Original Budget (Dec. 18): \$ 0.0 M

- Amended Budget (Mar 19): \$ 6.0 M

- Amended Budget (Dec 19): \$11.0 M

Questions

Greater Cleveland Regional Transit Authority



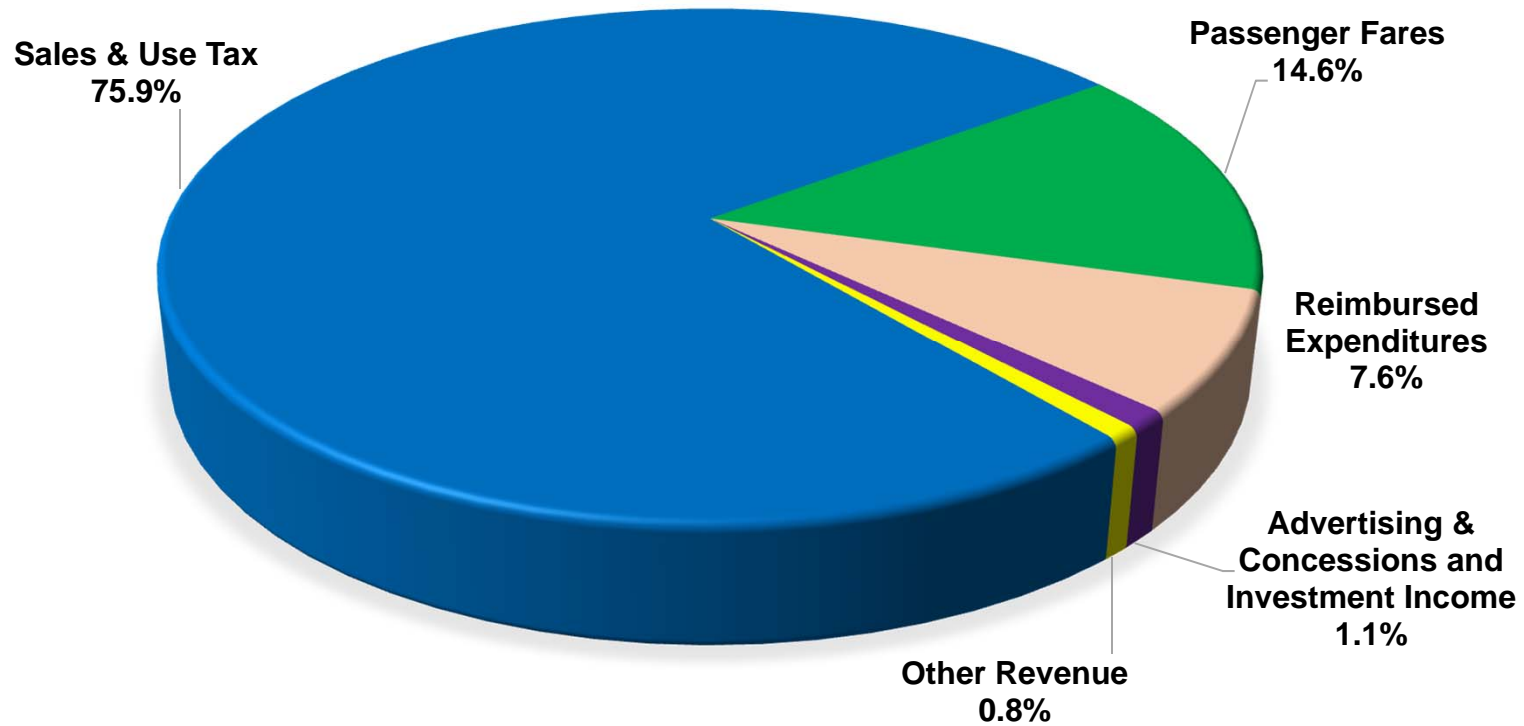
Public Hearing

Greater Cleveland Regional Transit Authority



Where the Money Comes From

FY 2020 GENERAL FUND REVENUES \$283.6 MILLION



Where the Money Goes

FY 2020 GENERAL FUND EXPENDITURES

