

Greater Cleveland Regional Transit Authority



GENERAL MANAGER / CEO 2021 PROPOSED TAX BUDGET



2021 TAX BUDGET

To: Hon. Dennis M. Clough, President,
and Members of the Board of Trustees

Date: July 14, 2020

From: India L. Birdsong
General Manager, Chief Executive Officer

Subject: 2021 Tax Budget Transmittal Letter

EXECUTIVE SUMMARY

The 2021 Tax Budget is an initial analysis of the financial trends, specifically for revenues, with forecasts on expenditures and service levels of the Authority. It is a forward-looking document toward estimated revenues for the next fiscal year. It is a valuable tool in the budget development process.

In January 2020, the World Health Organization (WHO) first declared coronavirus (“COVID-19”) a world health emergency. Since then, the emergency has evolved into a global public health and economic crisis that has affected the economy nationally and globally. Policymakers and Economist are hopeful of an economic recovery in the third quarter of 2020, assuming there is not a second wave of infections. Forecast has shown that the pandemic has negatively affected the economic growth and may take several years to recover.

To mitigate the effects of the COVID pandemic, GCRTA received financial assistance under the CARES (Coronavirus Aid, Relief, and Economic Security) Act signed into legislation on March 27, 2020. The CARES Act provided \$2 trillion in aid to individuals, businesses, and hospitals in response to the economic distress caused by the coronavirus pandemic, of which \$25 billion was for transit agencies, the authority has been awarded \$111.9 million of the funds to help supplement the decline in passenger fare revenues and sales tax receipts. This funding is to help the Authority through 2022.

Passengers Fares are projected to decrease 45.0% in 2020 and increase 29.4% in FY 2021 as ridership slowly rebounds. Sales & Use Tax receipts are the largest source of revenue for the authority. Projections for sales tax receipts are estimated to decrease by 9.5% in 2020 and increase slightly, 0.58%, in FY 2021.

Now that the stay at home order has been lifted, allowing businesses to re-open, historical spending patterns are anticipated to increase as the U.S. Congress approve stimulus packages, eliminate borrowing caps and lower interest rates. These factors may change over time; however, the Authority will continue to assess external holds impacting operational needs as it relate to customers and employees.

The 2021 Tax Budget shows a positive year-end balance for 2020 due to the proactive steps taken to re-align service levels due to decline in ridership impacted by the pandemic, and financial aid received under the CARES.

General Fund Assumptions

Inflation

Assumption:

2.0%

Rationale:

The Federal Open Market Committee (FOMC) reaffirmed its judgment to establish the inflation rate at 2%. This rate is consistent with the Federal Reserve statutory mandate and will help stabilize price, interest rates, and promote employment during economic uncertainty. The modest 2% is measured by annual change in the price index for personal consumption expenditure (PCE). FOMC will continue to assess growth output and make revisions as needed.

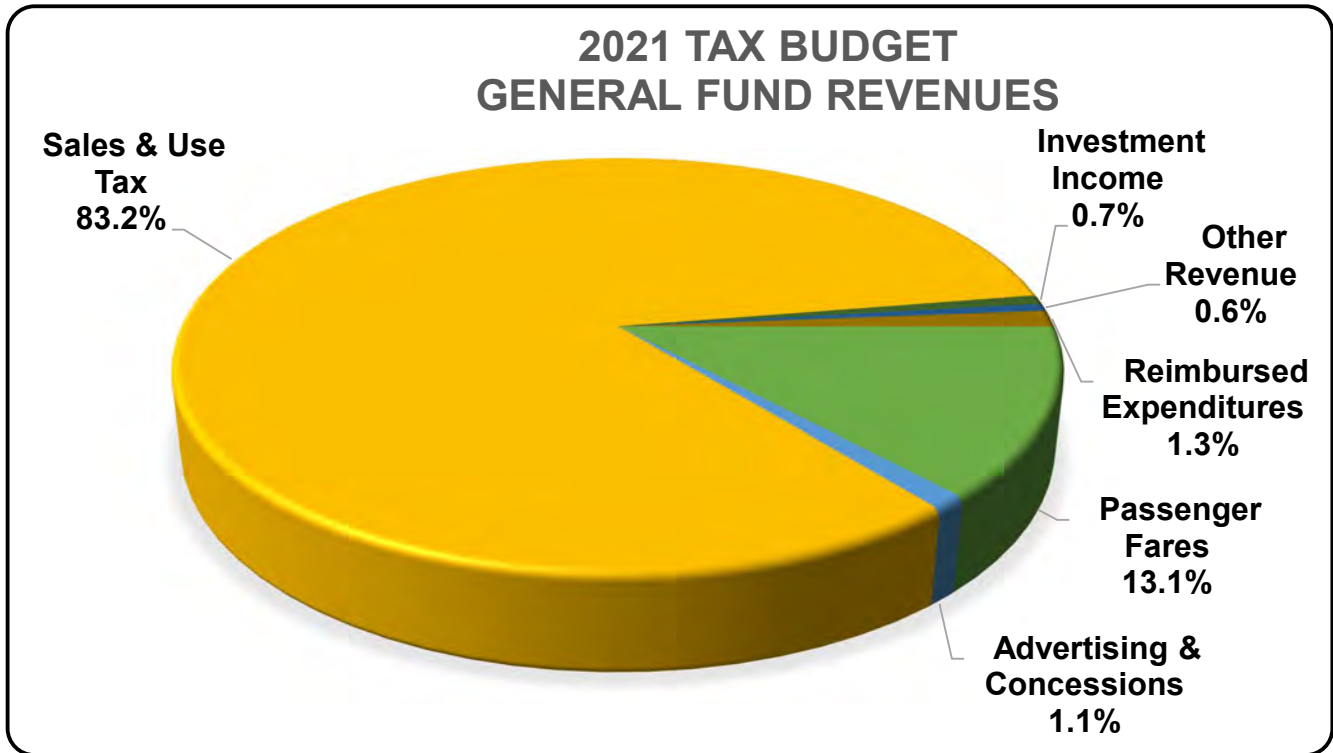
Interest Rates

Assumption:

1.5% to 1.75%

Rationale:

FOMC lowered the interest rate over the second half of 2019 due to global developments, bringing the current interest rate range of 1.5% to 1.75%. The Committee decision is based on the 2% inflation rate in hopes of economic expansion and a stronger labor market. The Committee plan to keep the rate under 2% for the long term and continue to monitor the economy as market conditions improve. As of April, the Authority has received an average yield of 1.6% on all Funds in 2020.



REVENUES

Passenger Fares

Assumption:

\$30.5M

Rationale:

Actual Passenger Fare revenue received through May 2020 totaled \$12.0 million. This amount is 23.8% below 2019 actual receipts for the same period. Passenger Fares for 2020 are estimated at \$23.5 million, a 45.0% decline from 2019 actual revenues, due to continued decrease in ridership from the COVID-19 pandemic. Total passenger fares for 2021 are estimated at \$30.5 million, an increase of 29.4%. The passenger and paratransit fare increases that were scheduled for 2018 has been postponed until further notice as we continue to review results of the fare equity study and assess our short- and long-term strategy. Our assumptions are based on no changes to the fares.

Advertising & Concessions

Assumptions:

Advertising Contract and Concessions

\$1.9M

Naming Rights: HealthLine, CSU Line, and MetroHealth Line

\$572K

Total

\$2.5 M

Rationale:

Advertising and Concessions revenue is composed of two subcategories. The first subcategory is comprised of the current advertising contract, concessions, and the new contract for advertising on the bus shelters. The second category is the Naming Rights. This includes Cleveland Clinic Foundation and University Hospitals for the HealthLine and area shelters, Cleveland State University for the CSU Line, Medical Mutual for the MetroHealth Line, Tri-C District for E. 34th Rapid Station, Huntington Bank for HealthLine shelters, and Bryant & Stratton College for HealthLine shelters. The Advertising & Concessions category is projected to total \$2.5 million in 2021 and is projected to remain steady each year thereafter 2022 through 2025 base on contract guarantees.

Sales & Use Tax Revenue

Assumptions:

Sales & Use Tax

\$193.2M

Rationale:

Sales Tax for 2020 is estimated to decrease 9.5% compared to prior year actual. The Authority receives 1.0% of Sales and Use Tax Revenue collected in Cuyahoga County. The estimate for the 2021 Tax Budget is based on current revenue receipts through May, anticipated consumer spending and unemployment rate normalize at 4%. Sales tax receipts are projected to increase 0.6% in 2021 and increase by another 4.7% in 2022 as the economy slowly rebounds. These estimates are conservatively established due to economic complexity and uncertainties of another pandemic wave.

Investment Income

Assumption:

Rationale:

\$1.7M

The estimate for Investment Income for 2021 is \$1.7 million. The Federal Reserve Bank anticipates interest rates to be maintained around 2% and does not expect interest rates to increase. The estimated income is based on an average income earned over the prior three years. The Investment Income has increased and expected to slightly decrease in FY 2021 based on the current investment levels and available ending balances. Through April 2020, the Authority has received an average yield of 1.63% on all investments.

Other Revenue

Assumptions:

Rationale:

\$1.3M

This revenue category includes various miscellaneous receipts from contractors, hospitalization, claim reimbursements, rent, salvage sales, and identification cards. The amount received may fluctuate annually. For 2021 Tax Budget, receipts for Other Revenue are budgeted at \$1.3 million.

Reimbursed Expenditures

Assumptions:

Preventive Maintenance Activities

Fuel Tax Reimbursement

Reimbursed Labor

Other Reimbursements

Total

\$0.0M

\$0.5M

\$2.0M

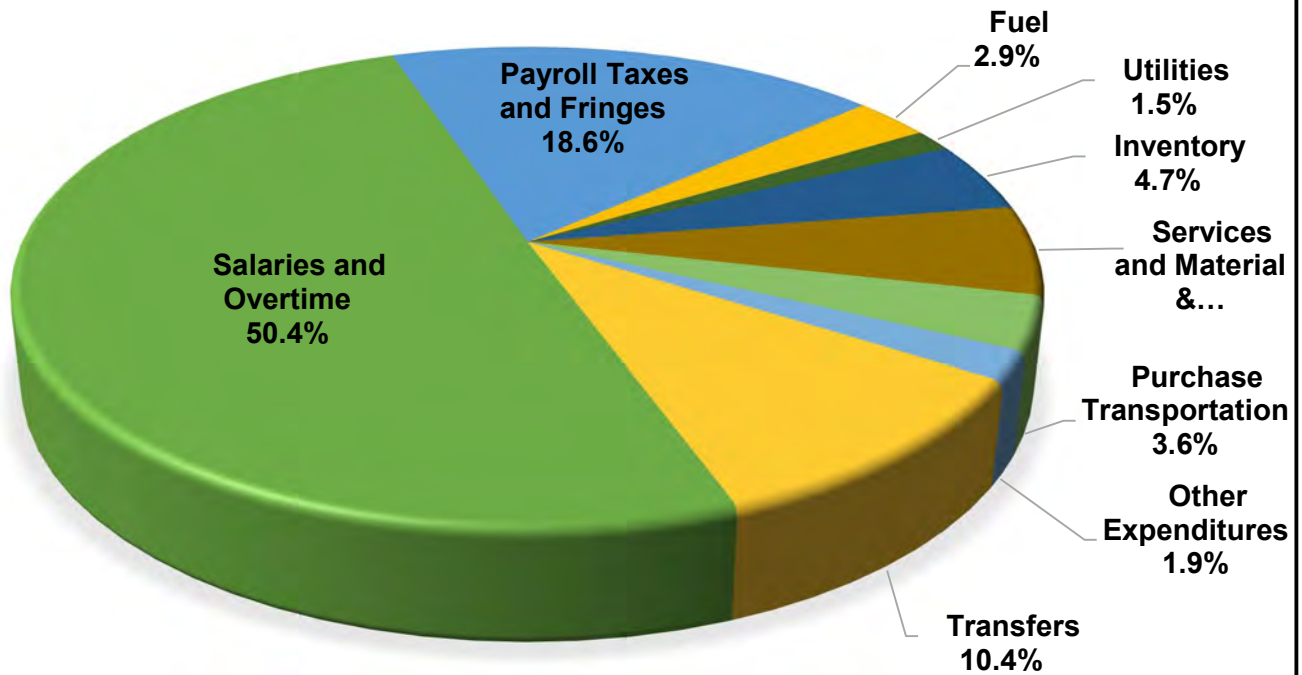
\$0.4M

\$2.9M

Rationale:

This category is composed of reimbursement of labor costs for capital projects, preventive maintenance activities within the Operating Budget, and diesel fuel tax refunds. For the 2021 Tax Budget, revenues from Reimbursed Expenditures are budgeted at \$2.9 million. This is a reduction compared to prior year operating reimbursements. For FY 2021- FY 2022 the authority will retain \$20 million of preventive maintenance funds for other capital projects. Other reimbursements include fuel tax reimbursements, reimbursed labor, and other reimbursements, which are projected at \$0.5 million, \$2.0 million, and \$0.4 million, respectively.

2021 TAX BUDGET GENERAL FUND EXPENDITURES



EXPENDITURES

Salaries and Overtime

Assumption:

\$143.9M

Rationale:

Total salaries and overtime for the 2021 Tax Budget are estimated at \$143.9 million and account for 50.4% of RTA's General Fund expenses. Total wages for 2021, including payroll taxes and fringes are estimated to increase by 3.9%, which includes union and non-union increases.

Payroll Taxes and Fringes

Assumption:

\$53.0M

Rationale:

Payroll Taxes and Fringe Benefits are budgeted at \$53.0 million for the 2021 Tax Budget and account for about 18.6% of General Fund expenses. The main expenses include payroll taxes, health care, prescription, vision, dental, uniform allowances, Medicare and PERS (pension) expenses.

Fuel

Assumptions:

<i>Diesel Fuel</i>	\$2.9M
<i>Gasoline</i>	\$0.5M
<i>Propane</i>	\$0.1M
<i>Propulsion Power</i>	\$2.6M
<i>Compressed Natural Gas</i>	\$1.6M
<i>Diesel Fuel Tax</i>	\$0.5M
Total	\$8.2M

Rationale:

The Energy Price Risk Management Program has helped to stabilize one of GCRTA's most volatile expenses, diesel fuel. The Authority's diesel fuel usage has decreased over the years due to implementing more CNG buses

into service and retiring older diesel vehicles. Between 2015 and 2019, RTA placed 139 new CNG buses into operation. For 2021, 25 new CNG buses are planned to be placed in operation and diesel fuel usage will once again decrease as these newer buses are introduced. For the 2021 Tax Budget, the total Fuel cost is estimated at \$8.2 million.

Other Expenditures

Assumptions:

<i>Utilities</i>	<i>\$4.2M</i>
<i>Inventory</i>	<i>\$13.5M</i>
<i>Services & Materials</i>	<i>\$17.1M</i>
<i>Purchased Transportation/ADA</i>	<i>\$10.3M</i>
<i>Other Expenditures</i>	<i>\$5.5M</i>
<i>Total</i>	<i>\$50.6M</i>

Rationale:

The Utilities category includes natural gas (facility heating), water/sewer, electricity, and telephone expenses. This category is budgeted at \$4.2 million for the 2021 Tax Budget, 1.5% of all General Fund expenditures. Electricity and natural gas usage continue to be closely managed. RTA has reduced electricity costs by nearly \$21.5 million over the last eight years. In December 2017, a new contract for electricity was negotiated, which fixed costs through mid-2021 at favorable prices for the Authority. Natural gas commodity costs are locked in through mid-2022.

Inventory is budgeted at \$13.5 million, or 4.7% of General Fund expenditures. The Supply Chain Management section of Fleet Management District has helped the Authority to maintain predictive maintenance repairs on the Authority’s newer fleets and carry out major purchases for supplies and equipment during the pandemic. The predictive maintenance program was started in 2015 and parts are replaced based on a proactive maintenance program.

The main drivers of the Services and Materials category are service and maintenance contracts, advertising costs, equipment, and other miscellaneous supplies. This category is budgeted at \$17.1 million for the 2021 Tax Budget, 6.0% of all General Fund expenditures. The out years are planned to increase slightly each year.

Purchased Transportation/ADA is budgeted at \$10.3 million for the 2021 Tax Budget. The Authority entered into 3 new contracts, starting in June 2019 with Provide-A-Ride, Senior Transportation Connection, and GC Logistics. Other Expenditures include travel and meeting expenses, claims, and other miscellaneous expenses. For the 2021 Tax Budget, \$5.5 million is budgeted for this category.

Transfers

Assumption:

<i>Bond Retirement</i>	<i>\$13.8M</i>
<i>Capital Improvements</i>	<i>\$7.9M</i>
<i>Insurance Fund</i>	<i>\$2.0M</i>
<i>Reserve Fund</i>	<i>\$5.9M</i>
<i>Pension Fund</i>	<i>\$45K</i>
<i>Total</i>	<i>\$29.6M</i>

Rationale:

Transfers shown for the Bond Retirement are for the debt service less the investment income earned in the Bond Retirement Fund. There is a \$6 million bond premium resulting from FY 2019 \$30 million issuance, these funds will be used toward paying the principal and interest payments from 2019 through part of 2022. The \$13.8 million transfer to the Bond Retirement Fund for 2021 is needed to pay the principal and interest on all debt for 2021, as well as maintain the recommended ending balance.

The transfer to the Capital Improvement Fund covers 100 percent locally funded capital projects in the RTA Capital Fund, as well as required local matches for most grant-funded projects in the RTA Development Fund. The total contribution to capital (transfer to the Capital Improvement Funds and Bond Retirement Fund), at 11.3%, is slightly

greater than the recommended Board policy of a minimum of 10% of Sales & Use Tax revenue and continues to reflect the significant financial requirements of the Authority's capital program.

The \$2.0 million transfer to the Insurance Fund is required to maintain the Fund Balance at the current \$5 million level and to cover expected expenses for the 2021 Fiscal Year. A transfer of \$5.8 million to the Reserve Fund will cover a \$5 million transfer for rail vehicles and \$0.8 million, which covers 1/12 of 27th pay expenses. Lastly, the \$45,000 transfer to the Supplemental Pension Fund is needed to maintain the recommended balance.

FINANCIAL INDICATORS

The General Fund statement presented in this Tax Budget results in the following performance against the Authority's financial policy goals.

OPERATING EFFICIENCY

Operating Ratio: The Board policy requires a 25.0% ratio in operating revenues compared to total operating expenditures. This ratio shows the efficiency of management by comparing operating expenses to operating revenues. The 2021 Tax Budget yields a 13.6% ratio, which is below the policy objective. The Operating Ratio for 2020 is estimated at 11.5%. These ratios will not be met due to the decline in ridership from the COVID-19 pandemic.

Operating Reserve: The Operating Reserve is targeted for a period of 30 days, or 1 month, meaning the available cash equivalent to one month's operating expenses to cover any unforeseen or extraordinary fluctuations. At a budgeted ending balance of \$69.6 million, the Operating Reserve for the 2021 Tax Budget is budgeted at 3.3-months. The Operating Reserves planned for 2022 is estimated at 1.1-month. The assistance from the CARES Act has helped the Authority to adjust to the new ridership and service levels due to the COVID-19 pandemic.

Growth per Year: This policy requires that growth in the cost per hour of service from year to year be kept at or below the rate of inflation. The cost per hour of service is a measure of service efficiency dividing total operating expenses by total service hours. The Growth per Year is the cost of delivering a unit of service (cost per hour of service) compared to the prior year. The Federal Reserve estimates inflation to remain at a steady 2 percent. For FY 2020, the service levels decreased due to the COVID-19 pandemic and decrease of ridership. The estimated growth per year for FY2020 is \$145.5, or an increase of 11.2%, compared to 2019 actuals. The 2021 Tax Budget assumes an increase in service hours 0.9% growth rate. This indicator is \$146.9 per hour of service. The growth per year decrease is due to the slow increase in service hours, compared to 2020 estimates, as ridership is expected to slowly increase.

CAPITAL EFFICIENCY

Debt Service Coverage: The Debt Service Coverage is a ratio measuring the Authority's ability to meet annual interest and principal payments on outstanding debts. The 2021 Tax Budget estimates the debt service coverage at 5.37, higher than the Board policy minimum of 1.50. The debt service coverage is projected to be 3.10 in 2022.

Sales & Use Tax Contribution to Capital: Current Board policy requires that a minimum of 10.0% of Sales & Use Tax receipts be applied to the capital needs of the Authority. These funds are used to meet the Authority's annual debt service payments, to provide the local match for grant funded capital projects, and to fund Routine Capital and Asset Maintenance projects included within the RTA Capital Fund. At 11.3%, this indicator is expected to slightly exceed the minimum of 10%.

Capital Maintenance to Expansion: Several years ago, the Board recognized that our emphasis must be to maintain the Authority's existing capital assets and revised this objective to a policy guideline of 75% to 90% of the Authority's capital projects. At 100% for the 2021 Tax Budget and each of the out years, the Authority's emphasis continues to be the maintenance of existing assets as opposed to expansion projects. Given the financial constraints of recent years, this continues to remain the best course as the Authority continues its bus replacement program, equipment upgrades, rail vehicle replacements, and rail infrastructure improvements.

CAPITAL IMPROVEMENT FUNDS

The Authority's Capital Improvement Funds are used to account for the acquisition, construction, replacement, repair and rehabilitation of major capital facilities and equipment. The Capital Improvement Funds are composed of grant funded projects as well as 100% locally funded items. The funds needed to meet the grant requirements typically require a 20% local match. Financial resources are appropriated to sustain capital infrastructure needs through retention of investment earnings, contributions from Sales and Use Tax proceeds, as well as issuance of debt.

Transportation is a capital-intensive business and the Authority's focus has been on addressing various State of Good Repair (SOGR) projects. Over the past few years, the Authority's priorities include replacement of rail vehicles and maintenance and repair of rail infrastructure, including tracks, bridges, signals, and substations. Additional funding has been transferred each year above the 10% contributions to capital policy goal in order to tackle some of these projects. A delicate balance exists in order to maintain the 1.0 month operating reserve.

Financial resources are allocated through a comprehensive capital review process which prioritizes funding of requested capital projects. It continues to maintain the focus of the Authority's long-term capital plan, as well as to reflect on existing and future financial and operational constraints facing the Authority.

The 2021 through 2025 estimated capital expenditures are predicated on year-to-date outlays, obligations and projected commitments, as well as, the approved five-year Capital Improvement Plan. Projected grant revenues include current, as well as, expected traditional and non-traditional grant awards and are based on a continuation of current FAST Act funding levels. Over the next ten years the Authority's capital program will continue to focus on various SOGR projects throughout the system. These include the on-going bus replacement program, rail car purchases (replacing 34 heavy rail and 24 light rail vehicles), rehabilitation of light rail track and rail infrastructure of signal and overhead catenary systems, and various facility improvement and upgrades,

BOND RETIREMENT FUND

The General Fund is the source of transfers necessary to make the principal and interest payments for the Authority's outstanding debt. Such transfers represent the debt service less the investment income earned in the Bond Retirement Fund. Total expenditures of \$16.6 million are expected in 2021. It is anticipated that a new debt sale of \$25 million will be issued in mid-2021 to support the capital program with a second debt issue of \$25 million planned for mid to late 2023. The Authority has its debt rated highly by the major rating agencies (AA+ from Standards & Poor and Aa1 from Moody's).

INSURANCE FUND

The Insurance Fund is structured to reflect a combination of self and purchased insurance coverages. Projected activities in 2021 include a combined \$2.7 million for premium outlays and payments for the settlement of claims. This will require a \$2.0 million transfer from the General Fund to maintain the current Fund balance recommended by the Authority's Risk Management Department.

SUPPLEMENTAL PENSION FUND

Authority employees who were employed by predecessor transit systems are covered by supplemental benefit payments. Activities expected within this fund in 2021 include \$14,000 of revenue from investment income, a \$45,000 transfer from the General Fund to maintain the Pension Fund at the recommended balance, and projected benefit payments of \$58,000. An actuarial study is performed every two years to assess the adequacy of these funds. The budget transfers maintain the fund balance at the levels recommended by the actuarial evaluation.

LAW ENFORCEMENT FUND

In 1988, RTA became involved with the Northern Ohio Law Enforcement Task Force (NOLETF), a multi-jurisdictional force (formerly known as the Caribbean/Gang Task Force). RTA's involvement was prompted by

increased gang activity found in and around the rail system and the need to obtain intelligence in this area. In addition to the benefits of intelligence gathering and improved inter-department relations, RTA derives revenue from seized and confiscated monies and/or properties of convicted drug dealers prosecuted by the Task Force.

Revenue obtained through the NOLETF may be expended for non-budgeted items for law enforcement purposes. Furthermore, certain guidelines have been instituted by the State Attorney General's Office for the reporting and disbursement of funds. At this point in time, expenditures are not being projected in 2021 through 2025 until additional needs arise requiring protective equipment and various supplies and materials to support law enforcement activities.

RESERVE FUND

In 2017, the Authority established the Reserve Fund to help protect the Authority from future economic downturns and cost increases. The Reserve Fund retains funding for five accounts: Compensated Absences, Fuel, Hospitalization, Rolling Stock, and budget years with 27 pay periods. A transfer of \$5.9 million is budgeted in the 2021 Tax Budget for replacement of rail vehicles and 27th pay period expenses.

In summary, three of the six financial goals meet the Board Policy Goals for the 2021 Tax Budget. The continued hard work put forth has helped to maintain a strong financial position for the Authority. The Authority's biggest challenge is keeping up with the aging infrastructure and SOGR needs, and Federal capital funding is crucial. The 5 Pillar studies will lead the way toward the Authority's next 10-year Strategic Plan (2021-2031) and lead the Authority into the future.

ATTACHMENT A General Fund Balance Analysis

	2019	2020	2020	2021	2022
	Actual	Budget	Estimate	Tax Budget	Plan
Beginning Balance	38,959,995	37,136,081	41,577,395	122,920,455	69,595,416
Revenue					
Passenger Fares	42,785,750	41,446,822	23,623,187	30,456,291	35,156,822
Advertising & Concessions	2,069,726	2,400,863	2,476,374	2,503,916	2,503,916
Sales & Use Tax	212,192,079	215,396,173	192,040,054	193,160,462	202,335,077
Investment Income	910,634	779,858	1,715,905	1,666,808	808,221
Other Revenue	2,747,874	2,100,000	1,327,591	1,348,918	1,348,918
CARES Act Assistance	0	0	111,977,170	0	0
Reimbursed Expenditures	25,289,403	21,520,000	24,520,485	2,935,471	2,935,471
Total Revenue	285,995,466	283,643,716	357,680,766	232,071,866	245,088,425
Total Resources	324,955,461	320,779,797	399,258,161	354,992,321	314,683,840
Operating Expenditures					
Salaries and Overtime	134,891,187	143,667,173	141,022,970	143,947,419	146,141,136
Payroll Taxes and Fringes	49,579,426	53,391,398	48,491,328	52,981,359	53,488,432
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,950,522	9,443,600	8,224,813	8,196,550	8,335,120
Utilities	5,155,284	5,655,857	4,153,315	4,220,857	4,182,657
Inventory	11,226,105	13,711,000	11,812,256	13,500,000	14,000,000
Services and Material & Supplies	18,522,788	19,430,753	17,294,320	17,148,345	17,201,578
Purchase Transportation	9,177,877	10,345,000	7,781,067	10,250,000	10,430,000
Other Expenditures	4,815,590	6,569,092	3,966,655	5,478,772	5,545,105
Total Operating Expenditures	242,318,780	262,213,873	242,746,724	255,723,303	259,324,028
Transfers to (from) Other Funds					
Transfer to (from) the Insurance Fund	2,700,000	2,000,000	2,000,000	2,000,000	2,600,000
Transfer to (from) the Pension Fund	50,000	50,000	50,000	45,000	40,000
Transfers to Reserve Fund	12,965,059	5,878,615	5,878,615	5,878,615	5,878,615
Transfers from the Reserve Fund		(1,450,000)	(1,450,000)		
Transfers to (from) Capital					
Bond Retirement Fund	13,339,003	13,714,842	13,714,842	13,835,408	13,820,910
Capital Improvement Fund	12,005,224	13,397,525	13,397,525	7,914,580	8,527,908
Total Transfers to (from) Capital	25,344,227	27,112,367	27,112,367	21,749,988	22,348,818
Total Transfers to (from) Other Funds	41,059,286	33,590,982	33,590,982	29,673,603	30,867,433
Total Expenditures	283,378,066	295,804,856	276,337,706	285,396,906	290,191,462
Available Ending Balance	41,577,395	24,974,941	122,920,455	69,595,415	24,492,377

ATTACHMENT B

2021 Tax Budget Financial Policy Goals							
		Goal	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Operating Efficiency	Operating Ratio	≥ 25%	19.0%	17.1%	11.5%	13.6%	14.9%
	Cost per Service Hour		\$130.9	\$143.1	\$145.5	\$146.9	\$141.5
	Growth per Year	≤ Rate of Inflation	-7.1%	9.3%	11.2%	0.9%	-3.7%
	Operating Reserve (Months)	≥ 1 month	2.1	1.1	6.1	3.3	1.1
Capital Efficiency	Debt Service Coverage	≥ 1.5	4.50	2.65	8.68	5.37	3.10
	Sales Tax Contribution to Capital	≥ 10%	11.9%	12.6%	14.1%	11.3%	11.0%
	Capital Maintenance to Expansion	75% - 90%	100.0%	100.0%	100.0%	100.0%	100.0%

ATTACHMENT C

Capital Improvement Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	21,313,973	39,574,031	44,377,784	22,061,410	29,460,067
Revenue					
Transfer from General Fund	12,005,224	13,397,525	13,397,525	7,914,580	8,527,908
Transfer from Reserve Fund	0	0	0	2,400,000	5,200,000
Investment Income	979,003	565,000	565,000	765,000	565,000
Federal Capital Grants	33,292,740	63,887,602	175,571,934	67,750,869	65,973,700
State Capital Grants	1,384,658	1,384,658	1,384,658	1,384,658	1,384,658
Debt Service Proceeds	30,000,000	0	0	25,000,000	0
Other Revenue	0	0	0	0	0
Total Revenue	77,661,625	79,234,785	190,919,117	105,215,107	81,651,266
Total Resources	98,975,597	118,808,816	235,296,901	127,276,518	111,111,333
Expenditures					
Capital Outlay	54,597,813	101,258,321	213,235,491	97,816,451	95,223,909
Other Expenditures	0	0	0	0	0
Total Expenditures	54,597,813	101,258,321	213,235,491	97,816,451	95,223,909
Available Ending Balance	44,377,784	17,550,495	22,061,410	29,460,067	15,887,424

ATTACHMENT D
Bond Retirement Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	2,739,205	7,046,617	7,145,347	4,735,979	2,080,887
Revenue					
Transfer from General Fund	13,339,003	13,714,842	13,714,842	13,835,408	13,820,910
Investment Income	228,730	135,000	135,000	135,000	135,000
Other Revenue	5,916,999	0	0	0	0
Total Revenue	19,484,732	13,849,842	13,849,842	13,970,408	13,955,910
Reconciling Journal Entry	0	0	0	0	0
Total Resources	22,223,937	20,896,459	20,995,189	18,706,387	16,036,797
Expenditures					
Debt Service					
Principal	9,650,000	10,560,000	10,560,000	11,345,000	9,535,000
Interest	5,427,090	5,697,710	5,697,710	5,279,000	4,711,950
Other Expenditures	1,500	1,500	1,500	1,500	1,500
Total Expenditures	15,078,590	16,259,210	16,259,210	16,625,500	14,248,450
Ending Balance	7,145,347	4,637,249	4,735,979	2,080,887	1,788,347

ATTACHMENT E
Insurance Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	12,640,748	7,316,748	7,808,801	6,948,351	6,264,351
Revenue					
Investment Income	168,435	35,000	35,000	35,000	35,000
Transfer from General Fund	2,700,000	2,000,000	2,000,000	2,000,000	2,600,000
Total Revenue	2,868,435	2,035,000	2,035,000	2,035,000	2,635,000
Total Resources	15,509,183	9,351,748	9,843,801	8,983,351	8,899,351
Expenditures					
Claims and Premium Outlay	7,700,382	2,895,450	2,895,450	2,719,000	2,706,000
Other Expenditures	0	0	0	0	0
Total Expenditures	7,700,382	2,895,450	2,895,450	2,719,000	2,706,000
Ending Balance	7,808,801	6,456,298	6,948,351	6,264,351	6,193,351

ATTACHMENT F
Supplemental Pension Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	1,352,482	1,356,482	1,376,779	1,380,779	1,381,779
Revenue					
Investment Income	22,825	14,000	14,000	14,000	14,000
Transfer from General Fund	50,000	50,000	50,000	45,000	40,000
Total Revenue	72,825	64,000	64,000	59,000	54,000
Total Resources	1,425,307	1,420,482	1,440,779	1,439,779	1,435,779
Expenditures					
Benefit Payments	48,528	60,000	60,000	58,000	58,000
Transfer to the General Fund	0	0	0	0	0
Other Expenditures	0	0	0	0	0
Total Expenditures	48,528	60,000	60,000	58,000	58,000
Reconciling Journal Entry	0	0	0	0	0
Ending Balance	1,376,779	1,360,482	1,380,779	1,381,779	1,377,779

ATTACHMENT G
Law Enforcement Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	34,063	55,863	65,164	87,164	89,164
Revenue					
Law Enforcement Revenue	42,978	20,000	20,000	20,000	20,000
Law Enforcement Training Revenue	0	0	0	0	0
Investment Income	1,098	2,000	2,000	2,000	2,000
Other Revenue	0	0	0	0	0
Total Revenue	44,076	22,000	22,000	22,000	22,000
Total Resources	78,139	77,863	87,164	109,164	111,164
Expenditures					
Capital & Related Items	12,975	0	0	20,000	0
Training	0	0	0	0	0
Total Expenditures	12,975	0	0	20,000	0
Reconciling Journal Entry	0	0	0	0	0
Ending Balance	65,164	77,863	87,164	89,164	111,164

ATTACHMENT H
Reserve Fund Balance Analysis

	2019 Actual	2020 Budget	2020 Estimate	2021 Tax Budget	2022 Plan
Beginning Balance	27,677,990	41,093,049	41,473,850	46,377,465	50,481,080
Revenue					
Investment Income	830,801	475,000	475,000	625,000	750,000
Transfer from GF for Compensated Absences	690,000	0	0	0	0
Transfer from GF for Fuel	0	0	0	0	0
Transfer from GF for Hospitalization	0	0	0	0	0
Transfer from GF for Rolling Stock Reserve	11,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Transfer from GF for 27th Pay	1,275,059	878,615	878,615	878,615	878,615
Other Revenue	0	0	0	0	0
Total Revenue	13,795,860	6,353,615	6,353,615	6,503,615	6,628,615
Total Resources	41,473,850	47,446,664	47,827,465	52,881,080	57,109,695
Expenditures					
Transfer to General Fund (Compensated Absences)	0	0	0	0	0
Transfer to General Fund (Fuel)	0	0	0	0	0
Transfer to General Fund (Hospitalization)	0	0	0	0	0
Transfer to RTA Development Fund (Rolling Stock)	0	0	0	2,400,000	5,200,000
Transfer to General Fund (27th Pay - 2024)	0	1,450,000	1,450,000	0	0
Total Expenditures	0	1,450,000	1,450,000	2,400,000	5,200,000
Ending Balance	41,473,850	45,996,664	46,377,465	50,481,080	51,909,695
Rolling Balances					
Compensated Absences	3,663,991	3,666,160	3,705,955	3,755,898	3,811,699
Fuel	2,585,623	2,580,575	2,615,236	2,650,480	2,689,859
Hospitalization	2,647,055	2,641,886	2,677,372	2,713,453	2,753,767
Rolling Stock	29,111,880	34,203,665	34,445,298	37,509,496	37,866,776
27th Pay: Salary: 2020 / Hourly 2025	3,465,301	2,904,378	2,933,604	3,851,753	4,787,594
Total	41,473,850	45,996,664	46,377,465	50,481,080	51,909,695

ATTACHMENT I
All Funds Balance Analysis

	2019	2020	2020	2021	2022
	Actual	Budget	Estimate	Tax Budget	Plan
Beginning Balance	104,718,456	133,578,871	143,825,121	204,511,604	159,352,744
Revenue					
Passenger Fares	42,785,750	41,446,822	23,623,187	30,456,291	35,156,822
Sales & Use Tax	212,192,079	215,396,173	192,040,054	193,160,462	202,335,077
Federal	33,292,740	63,887,602	175,571,934	67,750,869	65,973,700
State	1,384,658	1,384,658	1,384,658	1,384,658	1,384,658
Investment Income	3,141,526	2,005,858	2,941,905	3,242,808	2,309,221
Other Revenue	36,066,980	26,040,863	140,321,620	6,808,305	6,808,305
Debt Service Proceeds	30,000,000	0	0	25,000,000	0
Total Revenue	358,863,733	350,161,976	535,883,358	327,803,393	313,967,783
Total Resources	463,582,189	483,740,847	679,708,478	532,314,997	473,320,526
Expenditures					
Personnel Services	184,470,614	197,058,571	189,514,297	196,928,779	199,629,568
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,950,522	9,443,600	8,224,813	8,196,550	8,335,120
Utilities	5,155,284	5,655,857	4,153,315	4,220,857	4,182,657
Inventory	11,226,105	13,711,000	11,812,256	13,500,000	14,000,000
Services & Materials	18,522,788	19,430,753	17,294,320	17,148,345	17,201,578
Purchased Transportation	9,177,877	10,345,000	7,781,067	10,250,000	10,430,000
Other Expenditures	12,578,975	9,526,042	6,923,605	8,277,272	8,310,605
Capital Outlay	54,597,813	101,258,321	213,235,491	97,816,451	95,223,909
Debt Service	15,077,090	16,257,710	16,257,710	16,624,000	14,246,950
Total Expenditures	319,757,068	382,686,854	475,196,875	372,962,254	371,560,387
Available Ending Balance	143,825,121	101,053,993	204,511,604	159,352,744	101,760,139



Greater Cleveland Regional Transit Authority
1240 West Sixth Street
Cleveland, Ohio 44113-1302

rideRTA.com