

Greater Cleveland Regional Transit Authority

Finance Overview
Committee of the Whole
April 7, 2026
Finance

Excerpt – May 25, 2021

Secretary/Treasurer Presentation

Use of Projected Ending Balances

- The \$315 million of funds:
 - Strategic planning ensures stability
 - With long term impact in mind
 - In a combination of support for:
 - Operating Budget,
 - Unfunded Capital Projects
 - Debt Reduction

Excerpt – May 25, 2021

Secretary/Treasurer Presentation (continued)

Use of Funds

- Operating Budget - \$ 98.8 m - 31%
- Unfunded Capital Projects - 156.2 m - 50%
- Debt Reduction - 60.0 m - 19%

TOTAL

\$ 315.0 m

Excerpt – May 25, 2021

Secretary/Treasurer Presentation (continued)

Support of Operating Budget

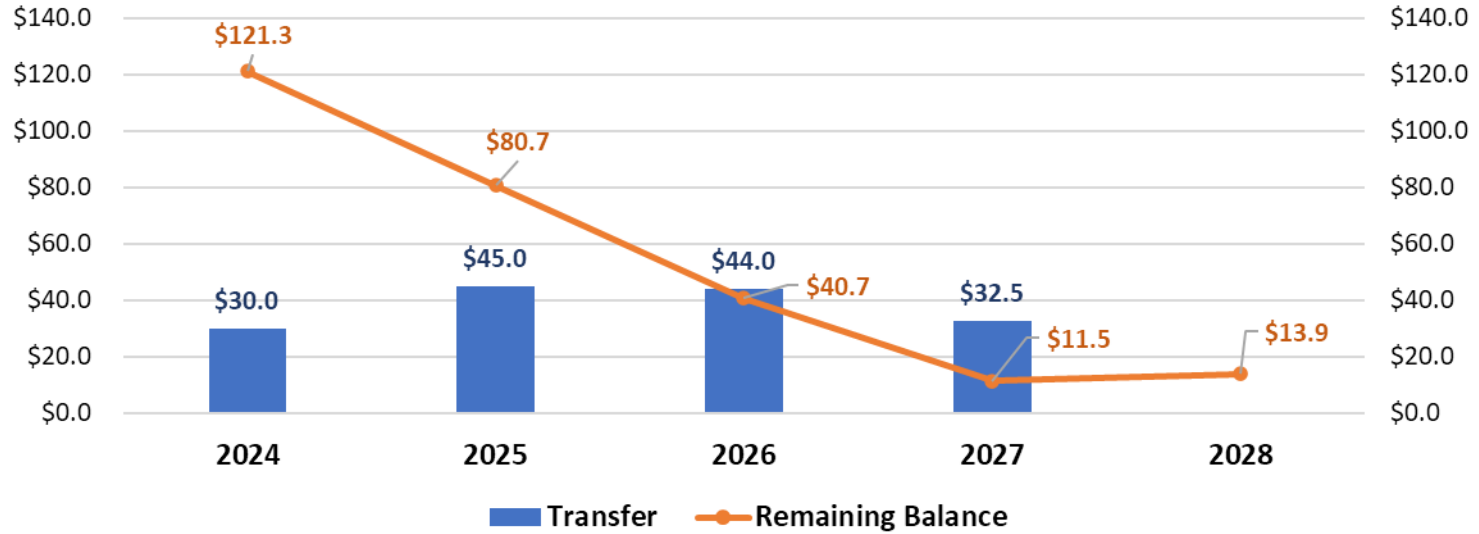
- \$98.8 m will ensure:
 - **Stability of operations through 2026**
 - A needed reserve to mitigate economic risks
 - We project:
 - No lay-offs or furloughs for staff
 - No service reductions
 - Reduced reliance on federal funding for Preventative Maintenance (PM)

General Fund Overview (in millions)	2026 Budget	2027 Plan	2028 Plan
Total Revenues	\$363.8	\$349.2	\$341.9
Operating Expenditures	342.5	347.7	351.4
Transfers to Other Funds	30.7	31.8	37.3
Total Revenues over/(under) Total Expenditures	(9.4)	(30.2)	(46.8)
Beginning Balance	38.1	28.8	(1.5)
Projected Ending Balance	\$28.8	\$(1.5)	\$(48.3)
Reserve (months)	1.0	(0.1)	(1.6)

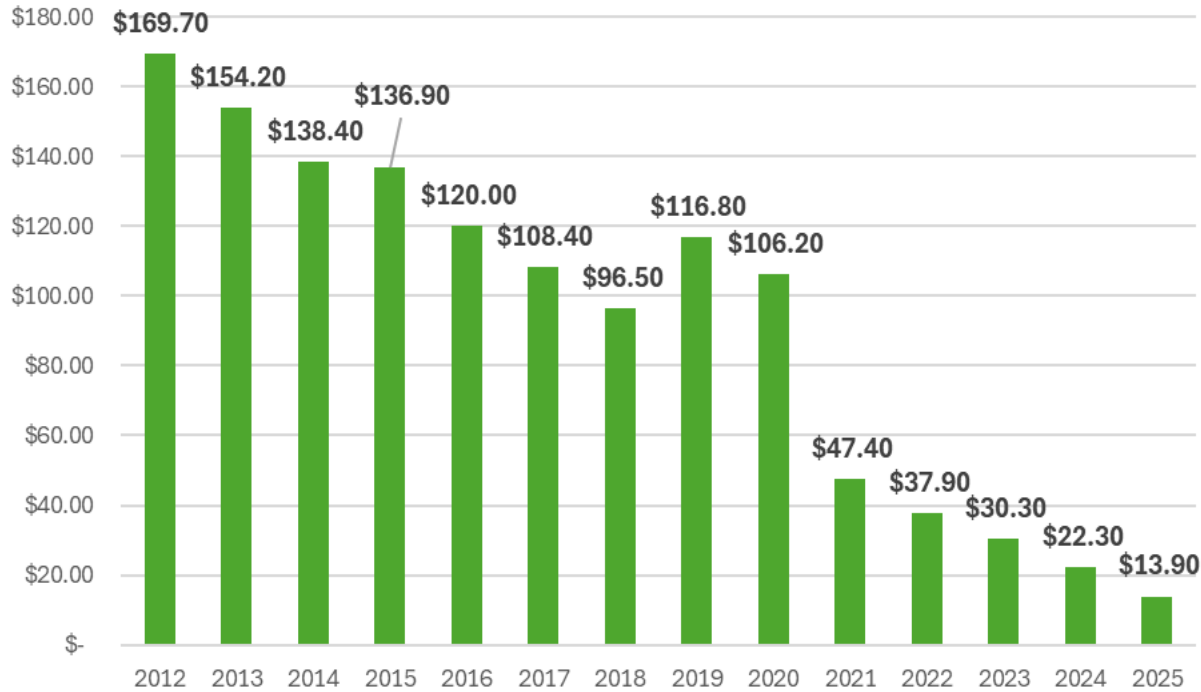
Differences due to rounding

Revenue Stabilization Fund

(in millions)



Long-Term Debt (in millions)



General Fund Budgets by Fiscal Year

	Fiscal Year Budgets											2016	% Change
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2016	% Change
Operating Expenditures													
Salaries & Overtime	\$ 141.7	\$ 143.3	\$ 138.4	\$ 138.6	\$ 143.7	\$ 143.4	\$ 150.1	\$ 157.0	\$ 172.5	\$ 181.6	\$ 184.6	\$ 42.9	30.2%
Payroll Taxes & Fringes	50.9	53.2	53.3	53.9	53.4	57.3	58.8	56.7	63.5	75.2	86.6	35.7	70.3%
Fuel (Diesel, CNG, Propulsion Power, Gasoline)	15.0	13.5	11.0	10.3	9.4	8.2	10.5	10.8	9.3	9.9	9.7	(5.3)	-35.1%
Utilities	6.4	5.5	5.7	5.3	5.7	5.6	4.2	4.2	3.3	4.3	4.5	(1.9)	-29.6%
Inventory	14.9	14.9	15.2	13.4	13.7	13.1	13.1	12.5	13.9	13.0	13.0	(1.9)	-12.8%
Services, Materials & Supplies	21.2	20.1	18.7	18.4	19.4	21.2	21.9	24.6	23.8	25.5	22.3	1.2	5.5%
Purchased Transportation	9.2	9.0	10.2	8.4	10.3	9.9	9.2	9.2	17.4	16.7	16.3	7.1	76.5%
Other Expenditures	8.4	8.0	7.2	6.3	6.6	6.9	7.1	7.4	6.7	6.7	5.5	(2.9)	-34.7%
Total Operating Expenditures	267.7	267.5	259.7	254.5	262.2	265.5	274.8	282.4	310.4	332.8	342.5		
Transfers to Other Funds	39.9	35.5	33.5	37.8	35.0	132.3	119.6	41.9	40.2	41.1	30.7		
Total Expenditures	\$ 307.5	\$ 303.0	\$ 293.1	\$ 292.3	\$ 297.2	\$ 397.7	\$ 394.4	\$ 324.3	\$ 350.6	\$ 373.9	\$ 373.2		
Total positions	2,362	2,332	2,333	2,336	2,323	2,356	2,382	2,397	2,424	2,424	2,367		

Recommendations

Recommendations implemented in 2025:

Suspend transfer to Rolling Stock Reserve for 2026-27	\$	10,000,000	
Suspend Merit Increase		1,200,000	
Reduction in non-personnel costs (B-items)		2,500,000	
Reduction in overtime		1,000,000	
Reduction in transfers to 27th Pay Fund for 2026-27		156,000	
Elimination of Customer WiFi		250,000	
Implement Hiring Freeze		1,000,000	
Elimination of 56 vacant positions		1,700,000	(Overall Impact - \$6M)
TOTAL	\$	17,806,000	

Recommendations (continued)

Recommendations for 2026:	Amount	Year(s)
Eliminate positions – Consolidations – in process	\$ 6,200,000	2026-2028
Reduce transfer from GF to Capital from 10% to 5% - in process *	42,700,000	2026-2028
Recruit Part-Time vs. Full-Time Operators - implemented	6,000,000	2026-2028
Renegotiate Paratransit 3 rd party contracts – implemented	1,500,000	2026-28 \$6.5M
Service Reductions - in process	6,000,000	2026-2028
Suspend transfer to Rolling Stock Reserve Fund – in process	5,000,000	2028
Evaluate/Implement a 3% Convenience Fee on CC activity – in process	900,000	2026-2028
Total	\$ 68,300,000	

*Temporary Reduction for 3 years

Recommendations (continued)

Additional Recommendations:

Evaluate Sales Tax Levy for 0.25% or 0.50%	\$70 million or \$140 million/yr (approx.) in process
Issue debt to mitigate reduced transfers from 10% to 5%	Board consideration in May
Continue looking for efficiencies/consolidations	in process
Minimize Service Reductions to the extent possible	in process
Consider increase in fares	TBD

Impact on the Capital Program

	2026 Budget	Proposed		
		2026	2027	2028
Transfer from General Fund to Capital	\$ 28,000,000	\$ 14,000,000	\$14,000,000	\$14,000,000
Issuance of Debt - \$35 Million		12,000,000	12,000,000	11,000,000
Increase Debt Service for new debt		(840,000)	(2,200,000)	(2,800,000)
Uncommitted cash from Local Match Fund		2,840,000	4,200,000	5,800,000
Total to Capital for Local Match	\$ 28,000,000	\$ 28,000,000	\$28,000,000	\$28,000,000

General Fund Balance & Projections

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	FY 2026 Projection	FY 2027 Plan	FY 2028 Plan
Revenues			
Operating Revenues			
Passenger Fares	\$ 31,500,000	\$ 31,815,000	\$ 32,133,150
Advertising & Concessions	1,400,000	1,400,000	1,400,000
Naming Rights	448,585	300,000	300,000
Investment Income	1,000,000	900,000	600,000
Other Operating Revenues	300,000	300,000	300,000
Total Operating Revenues	34,648,585	34,715,000	34,733,150
Non-Operating Revenues			
Sales & Use Tax	278,699,400	284,830,787	289,957,741
Reimbursed Expenditures	5,300,000	5,000,000	16,000,000
Federal Reimbursements	-	-	-
Other Non-Operating Revenue	1,500,000	1,500,000	1,500,000
Transfers from the Reserve Fund - Other Sub-Funds	-	-	-
Transfer from Reserve Fund - Revenue Stabilization	30,000,000	33,500,000	15,000,000
Total Non-Operating Revenues	315,499,400	324,830,787	322,457,741
Total Revenues	350,147,985	359,545,787	357,190,891

General Fund Balance & Projections

Expenditures

Operating Expenditures			
Salaries & Overtime	182,709,307	182,019,765	183,054,165
Payroll Taxes & Fringes	86,067,363	86,698,526	88,180,726
Fuel (Diesel, CNG, Propulsion Power, Gasoline)	9,731,100	9,925,000	10,100,000
Utilities	4,498,800	4,600,000	4,700,000
Inventory	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	22,314,650	22,900,000	23,400,000
Service Reduction	(1,000,000)	(2,500,000)	(2,500,000)
Purchased Transportation	16,300,000	17,300,000	17,600,000
Other Expenditures	5,485,600	5,500,000	5,600,000
Total Operating Expenditures	339,106,820	339,443,291	343,134,891
Transfers to Other Funds			
Transfers to/from Insurance Fund	2,000,000	2,500,000	2,500,000
Transfers to/from Reserve Fund	800,000	800,000	800,000
Transfers to/from Capital			
Transfers to/from Bond Retirement Fund	7,116,433	6,510,500	9,301,500
Transfers to/from Capital Improvement Fund	6,818,537	7,731,039	5,196,387
Total Transfers to/from Capital	13,934,970	14,241,539	14,497,887
Total Transfers to/from Other Funds	16,734,970	17,541,539	17,797,887
Total Expenditures	355,841,790	356,984,830	360,932,778
Excess/(Deficiency) of Total Revenues over Total Expenditures	(5,693,805)	2,560,956	(3,741,887)
Beginning Balance	33,798,834	28,105,029	30,665,985
Projected Ending Balance	\$ 28,105,029	\$ 30,665,985	\$ 26,924,098
# Months Reserves - Estimated	1.0	1.1	0.9

Upcoming Resolutions

- Code Book Update – Section 460.04(f) to Change transfer to capital from 10% to 5% - May 19, 2026
- Debt Issuance – May 19, 2026

Timing

- Sales tax levy **timing options**:
 - November 2026
 - May 2027
 - November 2027
 - May 2028
 - November 2028

Core Issues and Summary

- Structural Operating Gap
- No “plugging” deficits
 - Ensure stability through 2028
 - Provide time to evaluate additional revenue sources
- Action needed

Questions?