Service Adjustments Update

Committee of the Whole

September 8, 2026

Greater Cleveland Regional Transit Authority

Connecting the Community

2026 Approved Operating Budget
(Presented in November and December 2025)

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)**
Estimated Ending Balance	**$28.8**	**$(1.5)**	**$(48.3)**
Estimated Reserve (months)	**1.0**	**(0.1)**	**(1.6)**

Actuals thru September 2025

Differences due to rounding

Connecting the Community

Summary of Previously Discussed Recommendations

Recommendations for 2026 (shared on April 7 & June 16, 2026):	Amount	Year(s)
Eliminate positions - Consolidations - in process	$ 6,200,000	2026-2028
Reduce transfer from GF to Capital 10% to 5% - implemented	***42,700,000***	***2026-2028***
Recruit Part-Time vs. Full Time Operators - implemented	***6,000,000***	***2026-2028***
Renegotiate Paratransit 3rd party contracts - implemented	***1,500,000***	***2026-2028 ($6.5M)***
Service Reductions - implemented (8/2026)	***6,000,000***	***2026-2028***
Suspend transfer to Rolling Stock Reserve Fund - implemented	***5,000,000***	***2028***
Evaluate/Implement a 3% Convenience Fee on CC activity - in process	900,000	2026-2028
Total Recommendations previously reported (April 2026 & June 2026)	**68,300,000**	
Additional Future Potential Reductions (shared on June 23, 2026):		
Service Reductions - review in process	17,000,000	2027-2029
Other Expense Reductions - review in process	13,000,000	2027-2029
Total Additional Potential Reductions (reported June 2026)	**30,000,000**	
Grand Total of Potential Reductions 2026-2029	**$ 98,300,000**	

Connecting the Community

2026 General Fund Balance & Projections
(Presented in April and June 2026)

General Fund Overview (in millions)	2026 Projection	2027 Plan	2028 Plan
Total Revenues	$350.1	$359.5	$357.2
Operating Expenditures	339.1	339.4	343.1
Transfers to Other Funds	16.7	17.5	17.8
Total Revenues over/(under) Total Expenditures	**(5.7)**	**2.6**	**(3.7)**
Beginning Balance	33.8	28.1	30.6
Estimated Ending Balance	**$28.1**	**$30.7**	**$26.9**
Estimated Reserve (months)	**1.0**	**1.1**	**0.9**

2026 Projections includes previous implemented expense reductions

Differences due to rounding

Actuals thru February 2026

Connecting the Community

2027 Approved General Fund Tax Budget
(Presented in July 2026)

General Fund (in millions)	2027 Tax Budget	2028 Plan	2029 Plan
Total Revenues	$ 357.1	$ 360.3	$ 349.9
Total Operating Expenditures	340.4	343.5	345.8
Transfers to Other Funds	17.5	17.8	33.5
Total Expenditures	**357.9**	**361.3**	**379.2**
Total Revenues Over/(Under) Total Expenditures	(0.8)	(1.0)	(29.4)
Estimated Beginning Balance	29.3	28.4	27.4
Estimated Ending Balance	**$ 28.4**	**$ 27.4**	**($ 1.9)**
Estimated Reserve (months)	**1.0**	**1.0**	**(0.1)**

Differences due to rounding

Actuals thru May 2026

Greater Cleveland Regional Transit Authority

Connecting the Community

Financial Updates
since 2027 Tax Budget was approved

YTD Budget Updates:

- Ongoing Administrative expense reductions are effective
- YTD Sales Tax collections have been higher than 2025
- Health Care expenses YTD 2026 lower than 2025

Future/Upcoming Budget Considerations:

- Continue Administrative expenses reductions
- New Health Care contracts for 2027
- Board to determine percentage of Sales Tax increase

2026 Projections / 2027-2029 Plans

General Fund (in millions)	2026 Estimate	2027 Plan	2028 Plan	2029 Plan
Total Revenues	$330.8	$360.1	$367.3	$360.9
Total Operating Expenditures	320.1	342.5	348.2	353.8
Transfers to Other Funds	16.6	17.6	17.9	33.7
Total Expenditures	**336.7**	**360.1**	**366.0**	**387.5**
Total Revenues Over/(Under) Total Expenditures	(6.0)	(0.0)	1.2	(26.6)
Estimated Beginning Balance	33.8	27.8	27.8	29.1
Estimated Ending Balance	**$27.8**	**$27.8**	**$29.1**	**$2.5**
Estimated Reserve (months)	**1.0**	**1.0**	**1.0**	**0.1**

Actuals thru July 2026

Differences due to rounding

Does not include a second service reduction in 2026

Greater Cleveland Regional Transit Authority

Connecting the Community

Estimated General Fund Ending Balance

(in millions)

Presented For	Actuals Through	2026	2027	2028	2029
2026 Budget	September 2025	$28.8	$(1.5)	$(48.3)	Not Shown
Financial Overview	February 2026	$28.1	$30.7	$26.9	Not Shown
2027 Tax Budget	May 2026	$29.3	$28.4	$27.4	$(1.9)
Current Estimate	July 2026	$27.8	$27.8	$29.1	**$2.5***

***Does not meet the 1-month Operating Reserve required per Board Policy (Approx. $30 M)**

- Continue admin. expense reductions through 2029

Public Hearing Update and Recommendation to CEO

What we heard from the public

- Concern and anxiety about service reductions
  - Riders said that cuts will result in less ridership and further cuts
- Cutting service could diminish public support at ballot box
- Concern about service cuts on high-ridership routes (#1, #15, #41-41F)
- Quality-of-life concerns from reducing frequency from 30 min. to 60 min.
- Seniors less likely to use fixed-route network, could move to Paratransit
- Reduced frequency would result in much less convenient access to many destinations, especially work

Recommendation to CEO

- Delay the potential service reduction scheduled for December 2026 to August 2027, following a ballot initiative in May 2027
  - Avoid potentially unnecessary harm to the public and lost riders from service reductions

Next Steps

- Management to continue Administrative Expense reductions ($13.0M 2027-2029)
- Board of Trustees to decide on the size of the Sales Tax percentage on September 22, 2026
  - GCRTA Management recommends 0.50%

Questions