

Greater Cleveland Regional Transit Authority

2018-2022 Revenue Forecast

2018 Tax Budget

Presented to: Finance Committee

Office of Management & Budget

July 11, 2017

Operating Budget Calendar

- May – Preparation begins on the Five Year Revenue Forecast
- June – Finalize the Five Year Revenue Forecast
- July – Five Year Revenue Forecast Presented to Board and approval of the Tax Budget

Operating Budget Calendar

- August – Budget Development Begins
- November – Presentation of the 2018 Operating Budget and Five Year Financial Forecast to Finance Committee
- December – Adoption of the 2018 Operating Budget

Capital Budget Calendar

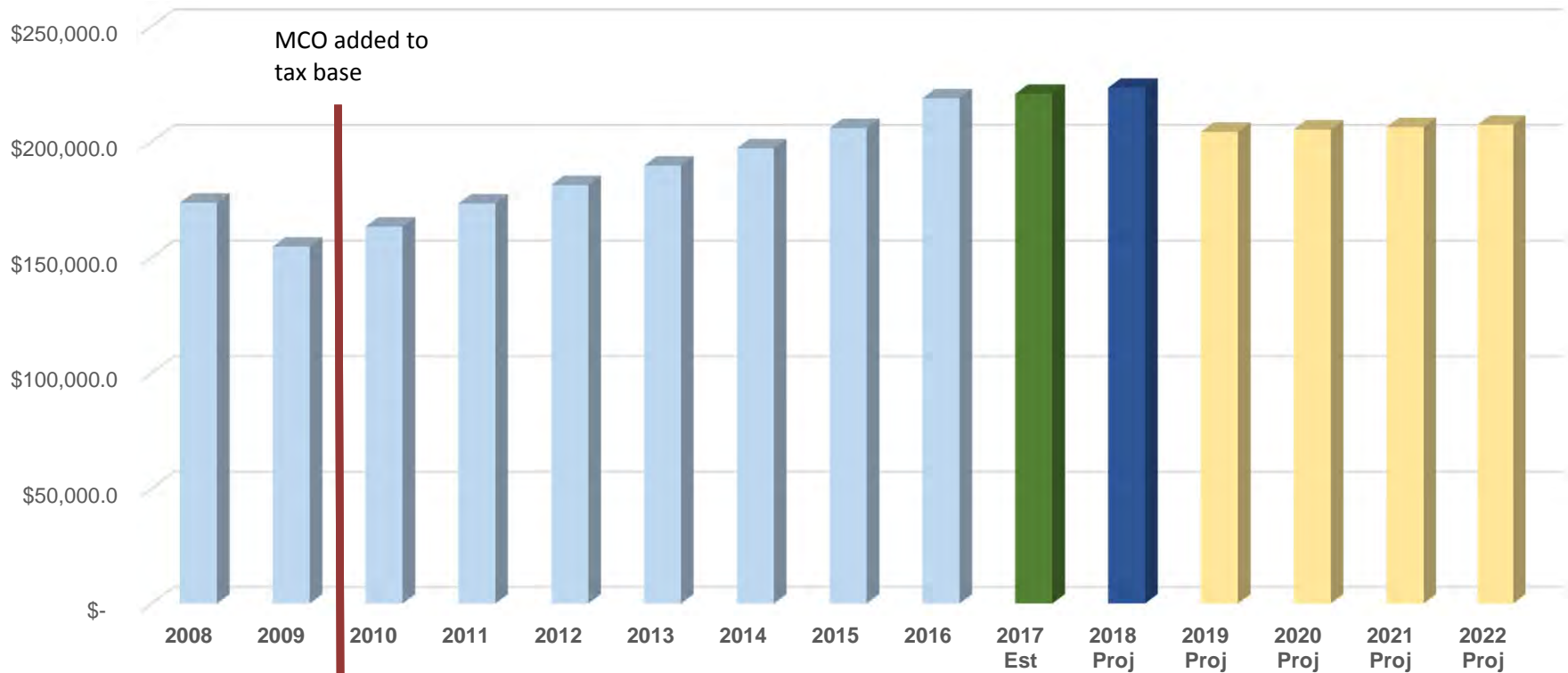
- March – Budget development begins
- April – July – Development in Process/Series of Meetings
- August – Presentation of Five Year Capital Improvement Program to Finance Committee/Adoption of the 2018 Capital Budget

Revenue Sources

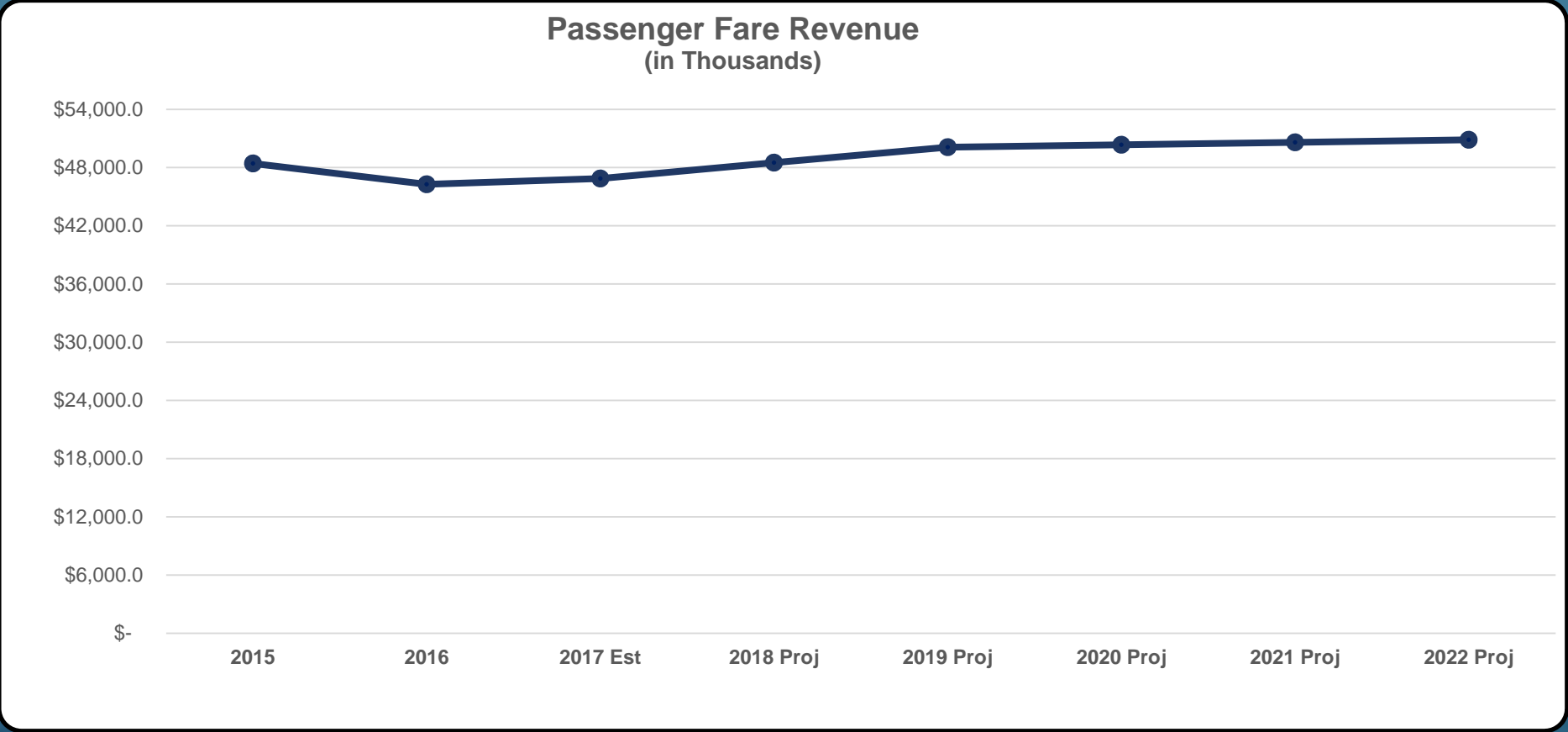
- Sales Tax
- Passenger Fare
- Reimbursements
- Other

Sales & Use Tax Revenue

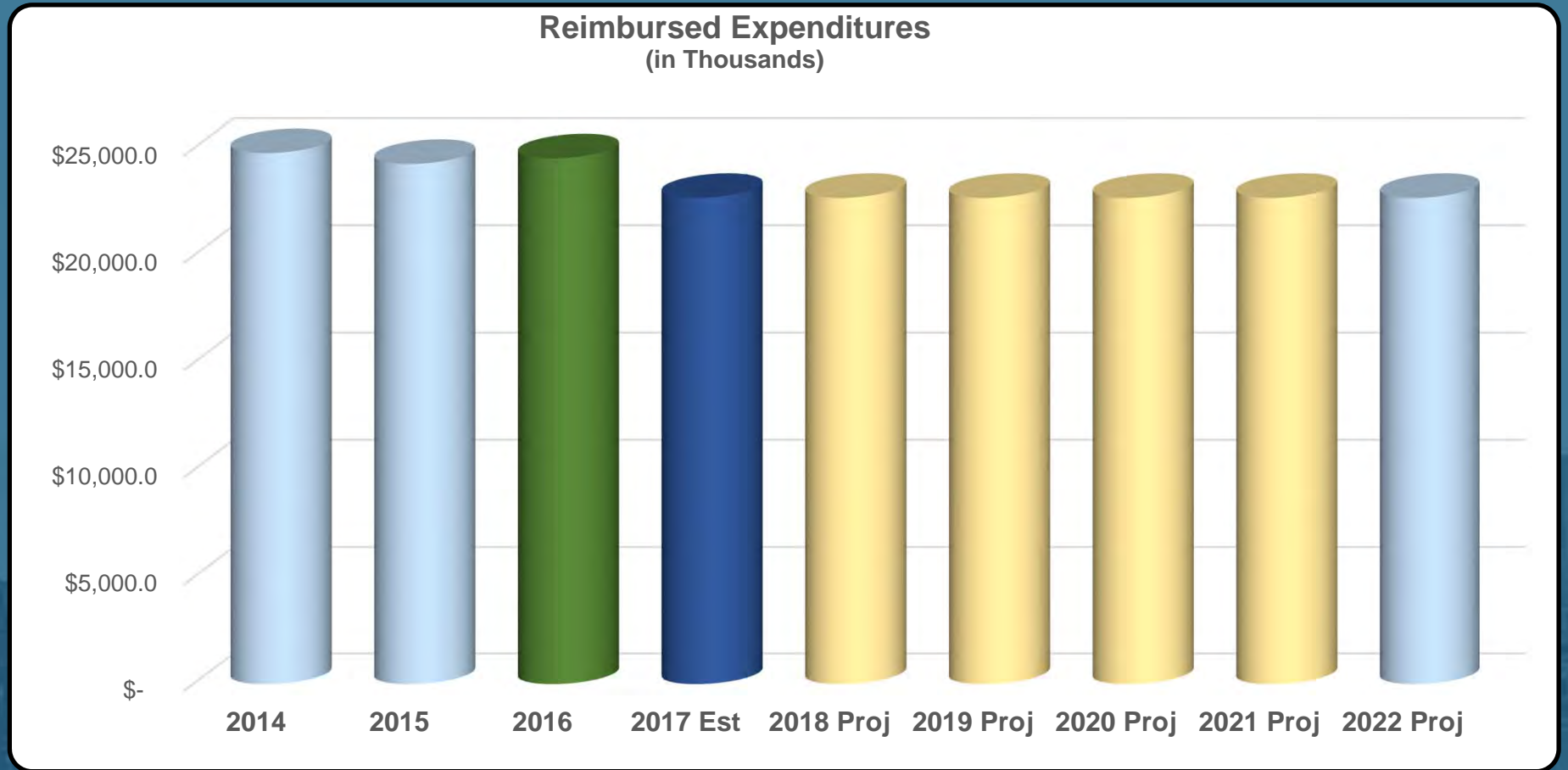
Sales & Use Tax Revenue
(in Thousands)



Passenger Fare Revenue

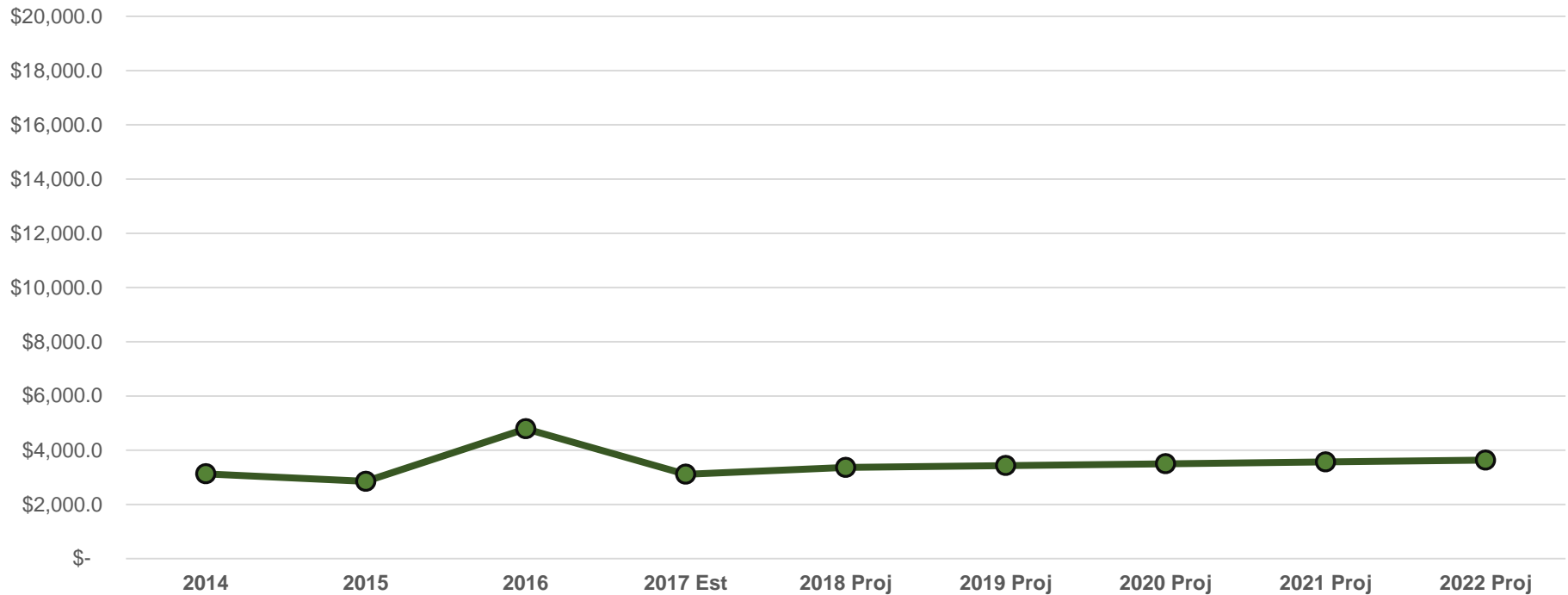


Reimbursed Expenditures



Other Revenue

Other Revenue
(in Thousands)



General Fund Revenue

General Fund Balance Analysis

	2017 Estimate	2018 Tax Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Beginning Balance	33,046,193	31,077,400	23,773,590	-2,232,846	-29,428,190	-55,013,714
Revenue						
Passenger Fares	46,872,000	48,500,000	50,100,000	50,350,500	50,602,253	50,855,264
Advertising & Concessions	1,552,000	2,095,000	2,162,000	2,230,000	2,297,000	2,364,000
Sales & Use Tax	215,589,551	203,201,446	204,217,453	205,238,540	206,264,733	207,296,057
State Aid for MCO Loss	5,060,417	20,068,166	0	0	0	0
Federal Operating Assistance - Various	0	0	0	0	0	0
Trolley Assistance	640,000	640,000	640,000	640,000	640,000	640,000
Investment Income	110,128	70,000	70,000	70,000	70,000	70,000
Other Revenue	1,450,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Reimbursed Expenditures	22,075,000	22,075,000	22,075,000	22,075,000	22,075,000	22,075,000
Total Revenue	293,349,096	297,849,612	280,464,453	281,804,040	283,148,986	284,500,321
Total Resources	326,395,289	328,927,012	304,238,043	279,571,194	253,720,796	229,486,607



General Fund Expenses

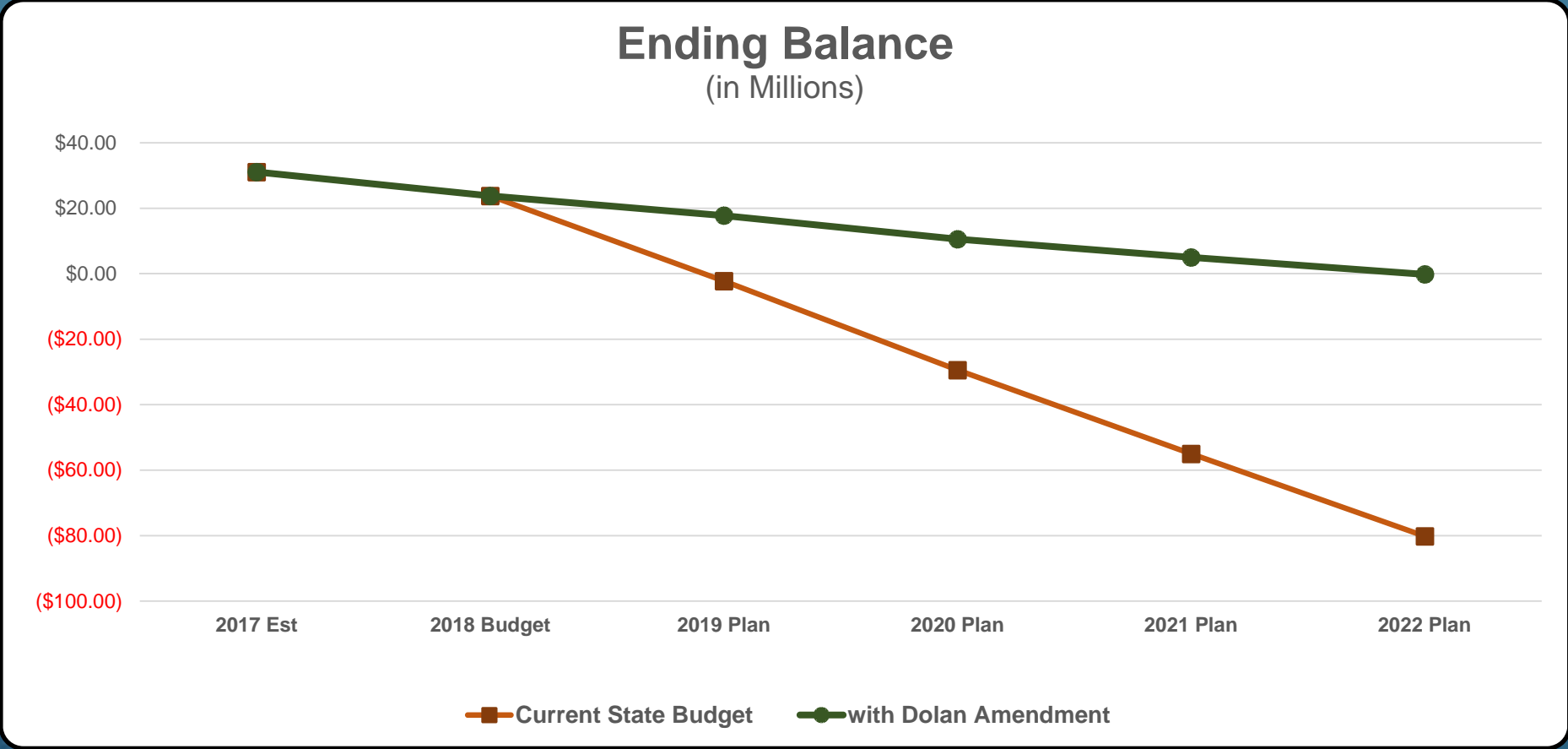
General Fund Balance Analysis

	2017 Estimate	2018 Tax Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Total Resources	326,395,289	328,927,012	304,238,043	279,571,194	253,720,796	229,486,607
Operating Expenditures						
Salaries and Overtime	139,132,363	145,723,494	149,449,004	149,897,351	150,347,043	150,798,084
Fringe Benefits	52,612,791	53,469,093	53,731,630	53,839,093	53,946,771	54,108,612
Diesel Fuel	7,027,154	6,528,000	6,200,000	6,000,000	6,000,000	6,000,000
Natural Gas	1,936,545	2,269,000	2,269,000	2,501,000	2,510,000	2,510,000
Other Expenditures	54,555,535	61,112,137	61,676,468	61,799,821	61,923,421	62,047,267
Total Operating Expenditures	255,264,388	269,101,724	273,326,102	274,037,265	274,727,235	275,463,963
Transfer to the Insurance Fund	2,400,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Transfer to the Pension Fund	75,000	75,000	65,000	65,000	60,000	60,000
Transfers to Capital						
Bond Retirement Fund	17,045,783	18,865,474	16,603,865	17,891,282	18,249,054	17,621,881
Capital Improvement Fund	11,329,803	15,011,224	14,375,923	14,905,837	13,598,221	14,426,089
Total Transfers to Capital	28,375,586	33,876,698	30,979,788	32,797,119	31,847,275	32,047,970
Transfers to Reserve Fund	9,202,915	0	0	0	0	0
Total Expenditures	295,317,889	305,153,422	306,470,890	308,999,384	308,734,510	309,671,934
Available Ending Balance	31,077,400	23,773,590	-2,232,847	-29,428,191	-55,013,715	-80,185,328

2018 Tax Budget (in Millions)

	2018 Tax Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan
Beginning Balance	\$31.08	\$23.77	(\$2.23)	(\$29.43)	(\$55.01)
Sales & Use Tax	203.20	204.22	205.24	206.26	207.30
State Aid for MCO Loss	20.07				
Passenger Fares	48.50	50.10	50.35	50.60	50.86
Reimbursed Expenditures	22.08	22.08	22.08	22.08	22.08
Other Revenue	4.00	4.06	4.13	4.21	4.26
Total Revenue	297.85	280.46	281.80	283.15	284.50
Total Resources	328.93	304.24	278.57	253.72	229.49
Personnel Expenses	199.19	203.18	203.74	204.29	204.91
Diesel & Natural Gas	8.80	8.47	8.50	8.50	8.50
Other Expenses	61.11	61.68	61.80	61.92	62.05
Transfers	36.05	33.14	34.96	34.00	34.21
Total Expenditures	305.15	306.47	309.00	308.73	309.67
Available Ending Balance	\$23.77	(\$2.23)	(\$29.43)	(\$55.01)	(\$80.19)

Ending Balance



Key Takeaways

- 2018
 - Stability
- 2019
 - Diminished Revenues
- 2020-Forward
 - Limited/No Growth/”New Normal”

Public Hearing

Public Hearing – Tax Budget

Greater Cleveland Regional Transit Authority



Request from Finance Committee

- Request the 2018 Tax Budget for BOT approval on July 18th

Questions

Greater Cleveland Regional Transit Authority

