Remaining Schedule

- December 19- Second Presentation to the Finance Committee/Public Hearing
- December 19 – Anticipated approval of the 2018 Budget by the BOT
2017 Projection

- Original Budget Estimate - $10.8M
- 3rd Quarter 2017 Estimate - $36.4M
  - Good budget management
  - Unanticipated/unbudgeted revenues
Revenue Sources

- Sales Tax
- Passenger Fare
- Reimbursements
- Other
MCO Sales Tax - Impact

- Loss of $20M Annually
  - 7% of operating/general fund revenue
  - Approx. 160-200 positions
## General Fund Revenues

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</tr>
</thead>
<tbody>
<tr>
<td>Passenger Fares</td>
<td>46,279,344</td>
<td>47,103,978</td>
<td>47,843,114</td>
<td>48,861,774</td>
<td>48,615,022</td>
<td>48,613,807</td>
<td>48,249,811</td>
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<tr>
<td>Advertising &amp; Concessions</td>
<td>2,860,267</td>
<td>1,660,000</td>
<td>2,095,000</td>
<td>2,162,000</td>
<td>2,230,000</td>
<td>2,297,000</td>
<td>2,364,000</td>
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<tr>
<td>Sales &amp; Use Tax</td>
<td>218,749,851</td>
<td>213,693,355</td>
<td>197,793,912</td>
<td>198,782,882</td>
<td>199,776,796</td>
<td>200,775,680</td>
<td>201,779,558</td>
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<td>Revenue from Medicaid Transition Fund</td>
<td>0</td>
<td>10,034,083</td>
<td>10,034,083</td>
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<td>Short Term Notes</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Trolley Sponsorship</td>
<td>0</td>
<td>640,000</td>
<td>640,000</td>
<td>640,000</td>
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<td>Investment Income</td>
<td>42,156</td>
<td>217,987</td>
<td>110,000</td>
<td>90,000</td>
<td>90,000</td>
<td>70,000</td>
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<tr>
<td>Other Revenue</td>
<td>1,888,060</td>
<td>2,100,000</td>
<td>1,550,000</td>
<td>1,450,000</td>
<td>1,400,000</td>
<td>1,400,000</td>
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<tr>
<td>Reimbursed Expenditures</td>
<td>24,560,024</td>
<td>22,201,800</td>
<td>22,075,000</td>
<td>22,075,000</td>
<td>22,075,000</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>294,379,702</strong></td>
<td><strong>297,651,203</strong></td>
<td><strong>282,141,109</strong></td>
<td><strong>274,061,656</strong></td>
<td><strong>274,826,818</strong></td>
<td><strong>275,871,487</strong></td>
<td><strong>276,578,369</strong></td>
</tr>
</tbody>
</table>
# General Fund Expenditures

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Expenditures</strong></td>
<td></td>
<td></td>
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<tr>
<td>Fringe Benefits</td>
<td>48,074,083</td>
<td>50,876,550</td>
<td>53,331,694</td>
<td>53,967,904</td>
<td>54,821,882</td>
<td>55,244,430</td>
<td>55,893,452</td>
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<tr>
<td>Diesel Fuel</td>
<td>8,627,383</td>
<td>6,596,987</td>
<td>5,887,000</td>
<td>5,769,260</td>
<td>5,853,875</td>
<td>5,597,336</td>
<td>5,541,363</td>
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<tr>
<td>Natural Gas</td>
<td>1,246,088</td>
<td>1,956,545</td>
<td>1,985,000</td>
<td>1,986,114</td>
<td>1,987,229</td>
<td>1,988,345</td>
<td>1,989,461</td>
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<tr>
<td>Other Expenditures</td>
<td>53,600,135</td>
<td>51,274,126</td>
<td>60,097,571</td>
<td>59,844,145</td>
<td>60,333,852</td>
<td>60,064,187</td>
<td>60,138,315</td>
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<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>245,918,172</td>
<td>246,941,396</td>
<td>259,659,727</td>
<td>259,911,552</td>
<td>262,635,752</td>
<td>261,482,789</td>
<td>262,269,385</td>
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<tr>
<td><strong>Transfer to the Insurance Fund</strong></td>
<td>500,000</td>
<td>2,400,000</td>
<td>2,250,000</td>
<td>2,200,000</td>
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<td>2,100,000</td>
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<tr>
<td><strong>Transfer to the Pension Fund</strong></td>
<td>100,000</td>
<td>75,000</td>
<td>60,000</td>
<td>60,000</td>
<td>55,000</td>
<td>55,000</td>
<td>50,000</td>
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<tr>
<td><strong>Transfers to Capital</strong></td>
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<tr>
<td>Bond Retirement Fund</td>
<td>21,887,562</td>
<td>17,045,783</td>
<td>18,865,474</td>
<td>16,603,865</td>
<td>17,891,282</td>
<td>18,249,054</td>
<td>17,621,881</td>
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<td>Capital Improvement Fund</td>
<td>9,472,060</td>
<td>10,571,331</td>
<td>11,933,343</td>
<td>12,586,877</td>
<td>11,309,855</td>
<td>13,598,221</td>
<td>14,426,089</td>
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<tr>
<td><strong>Total Transfers to Capital</strong></td>
<td>31,359,622</td>
<td>27,617,114</td>
<td>30,798,817</td>
<td>29,190,742</td>
<td>29,201,137</td>
<td>31,847,275</td>
<td>32,047,970</td>
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<td><strong>Transfers to Reserve Fund</strong></td>
<td>0</td>
<td>17,554,922</td>
<td>7,368,662</td>
<td>7,119,025</td>
<td>6,021,421</td>
<td>5,878,615</td>
<td>5,878,615</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>277,877,794</td>
<td>294,588,432</td>
<td>300,137,206</td>
<td>298,481,319</td>
<td>300,113,310</td>
<td>301,463,679</td>
<td>302,345,970</td>
</tr>
</tbody>
</table>

Greater Cleveland Regional Transit Authority
Assumptions

- **Sales Tax**
  - Removal of MCO Tax Base – 2018
  - Small growth of .5% -2019-2022

- **Passenger Fare**
  - Fare increase – August 2018
  - Small decreases – 2020-2022 – Ridership Decline

- **Reimbursed Expenditures**
  - Consistent with prior years
Assumptions

- Salaries and OT
  - No raises
  - Additional pay period - 2020

- Fringe Benefits
  - Small growth due to health care
    - Approx 2% annually
Assumptions

- **Other Expenses**
  - Currently being re-reviewed
- **Transfers to Capital**
  - Includes debt issuance in 2018, 2020 and 2022
- **Transfers to Reserve**
  - To fund the reserve accounts
Eye Towards 2019

- Taskforce Initiatives
- Staffing
- Other Expenses
Eye Towards 2019

- Present plan for BOT approval
- Present amended 2018 budget/financial forecast
  - 1st Quarter 2018
Key Takeaways

- 2018
  - Diminished Revenue Sources

- 2019 – Forward
  - Further Diminished Revenues
  - Limited/No Growth/”New Normal”
  - 2014 Levels
Questions
Public Hearing

- Public Hearing – 2018 Operating Budget
Proposed Change – 2017 Capital Budget

- $2.9 M increase to RTA Development Fund project budget authority for 6 40Ft. CNG Buses (DERG Grant)
Proposed Changes – 2018 Capital Budget

- Board Approved August 15, 2017
  - $84M
- Proposed Changes = $32M
Proposed Changes – 2018 Capital Budget

- $6.53 M – (9) 45-Ft Diesel Commuter Coaches (UTP, Formula Award)
- $3.05 M – 40-Ft CNG Buses (CMAQ Award)
- $12.83 M – Upgrade CAD/AVL Communication System (Non-Formula Award)
- $710,000 – Van Aken/Warrensville Substation Replacement (Formula Award)
Proposed Changes – 2018 Capital Budget

- $6.82 M – West 117th – West Park Track Rehab (OTP3 Award)
- $2.0 M – Rail Car Study (Reserve Fund 100% Local)
Request from Finance Committee

- Request the following for BOT approval:
  - 2017 Amended General Fund Appropriations
  - 2018 General Fund and Non Capital Appropriations
  - 2017 Amended Capital Fund Appropriations
  - 2018 Amended Capital Fund Appropriations
Questions