

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY



GENERAL MANAGER / CEO 2022 PROPOSED TAX BUDGET



2022 TAX BUDGET

To: Rev. Charles P. Lucas, President,
and Members of the Board of Trustees

Date: July 8, 2021

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



Subject: 2022 Tax Budget Transmittal Letter

EXECUTIVE SUMMARY

The 2022 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.

The COVID-19 pandemic presented challenges to the Authority, the nation, and the world. Through the pandemic, the Authority continued to provide essential transportation for customers to medical appointments, pharmacies, grocery stores, and essential jobs. Without the Coronavirus Aid Relief and Economic Securities (CARES) Act, the Authority would have been faced with budget losses from 2020 through 2022 due to ridership falling by over 50%. The President also signed the Coronavirus Response & Relief Supplemental Act (CRRSAA) in December 2020 and the American Rescue Plan (ARP) in March 2021. This funding will be used to pay for operating expenses and provide stability for the Authority through 2026.

In June 2021, the Authority implemented recommendations of the System Redesign Pillar Study. The system was evaluated for recommended improvements under various funding and budget scenarios in order to cost effectively address service frequency and coverage goals for all riders. Online surveys and public engagement sessions were held over the past 2 years to facilitate feedback on each scenario. The NeXtGen redesigned network began June 13, 2021 and provided greater frequency and connectivity for the Cleveland area. The Authority is projecting ridership to increase by 1% in 2022 as the economy continues to improve and NeXtGen service is fully implemented.

In 2021, the Authority collaborated with Tri-C to be a Community Training & Development Job Hub. The training partnership aims to increase workforce sustainability in the transportation industry by creating employment pipelines for residents, giving them the chance to earn family self-sustaining wages working for RTA. The Hub will address training and workforce development opportunities, as well as offer current employees the opportunity to grow their skill set. Additionally, it will focus on recruiting new employees and enhancing leadership teams. The Community Training and Development Job Hub partnership model aligns with Tri-C's current Access center framework, which makes education and workforce services accessible to the communities most in need. Current Tri-C Access Centers include Esperanza, Olivet Housing and Community Development Corporation, and MetroHealth Medical Center. This partnership will continue in 2022 to provide training and employment and workforce stability.

With the assistance of Public Financial Management, Inc. (PFM), the Authority's financial advisors, the Authority is using \$60 million of sales tax revenue to retire a portion of outstanding debt service at favorable prices. This will save the Authority about \$3 million each year. Through the defeasance, 9 years of scheduled debt payments will be eliminated, saving about \$14 million each year for that period. These savings will be used for operating and/or capital needs.

The Federal Stimulus funding under the CARES Act, CRRSAA and ARP have helped the Authority to remain stable during the pandemic and beyond. With total estimated expenditures of \$303.2 million against total estimated revenues of \$324.3 million, and a beginning balance estimated at \$158.7 million, the ending balance for the 2022 Tax Budget is estimated at \$179.9 million.

General Fund Assumptions

Inflation

Assumption:

2.5%

Rationale:

The Federal Open Market Committee (FOMC) estimates the core inflation in 2022 to increase to 2.5%. For 2022-25 the inflation rate is projected to be just above the Federal Reserve's target rate of 2%. The Federal Reserve upgraded its forecast in June for growth and employment, anticipating inflation will rise 2.4% by the end of this year. In 2022, inflation is expected to fall back to 2% and 2.1% by 2023. Other economists, such as Bloomberg and Kiplinger, expect that the inflation rate in 2021 will increase to about 4% by year-end and then taper down to 2.5% in 2022. The Authority assumes 2022 inflation at the 2.5% rate consistent with the original target as FOMC continue to assess growth output and make revisions as needed.

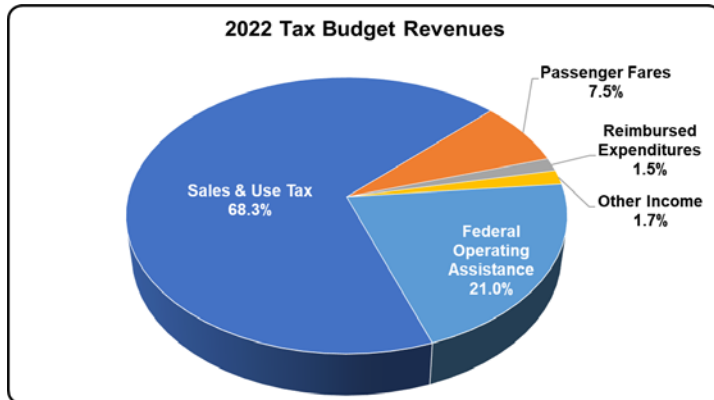
Interest Rates

Assumption:

2.0%

Rationale:

The FOMC intends to keep the interest rate at current levels until inflation is at 2% for the long term. The committee is willing to allow inflation to rise above 2% for a short term to achieve maximum employment. The Fed's goal is to keep interest rates near zero to boost the economy and faster growth. Kiplinger is expecting interest rates to increase to 2% by year-end and remain there through 2022. Through May 2021, the Authority has received an average yield of 0.21% on its cash and investments.



REVENUES

Passenger Fares

Assumption:

\$24.3M

Rationale:

Actual Passenger Fare revenue received through April 2021 totaled \$7.0 million. This amount is 34.1% below 2020 actual receipts for the same period. Total Passenger Fares for 2021 are estimated at \$24.0 million, nearly equaling 2020 actual revenues. As the economy continues to improve, we are projecting ridership to continue to increase slowly in 2022. Total passenger fares for 2022 are projected to increase by 1.0%. Our assumptions are based on no changes to the fares.

Advertising & Concessions

Assumptions:

Advertising Contract and Concessions

\$1.2M

Naming Rights: HealthLine, CSU Line, and MetroHealth Line

\$653K

Total

\$1.8 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, which 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 and Huntington Bank for various shelters along the HealthLine. The Advertising & Concessions category is projected to total \$1.8 million in 2022 and is projected to remain steady each year thereafter 2023 through 2026 based on contractual terms.

Sales & Use Tax Revenue

Assumptions:

Sales & Use Tax

\$221.6M

Rationale:

Sales Tax for 2021 is estimated to increase 3.3% compared to 2020. The Authority receives a 1.0% Sales and Use Tax on sales of tangible personal property and on other transactions subject to the state Sales and Use Tax within Cuyahoga County. The 1% tax is of unlimited duration and was approved by the voters of Cuyahoga County in July 1975. The tax is levied and collected at the same time and on the same transactions as the permanent 5.25% Sales and Use Tax levied by the State, plus the 0.5% temporary state tax, 1.0% levied by Cuyahoga County and a special 0.25% levied by Cuyahoga County.

The estimate for the 2022 Tax Budget is based on actual receipts through May 2021, with projections anticipating slow recovery in consumer spending. Sales tax receipts are projected to increase by 2.0% in 2022 and by 2.2% in 2023 as the economy continue to rebounds. We believe that these estimates are conservative considering to the overall economic complexity and uncertainties surrounding the duration of the pandemic and stimulus payments.

Investment Income

Assumption:

\$2.1M

Rationale:

The estimate for Investment Income for 2022 is \$2.1 million. The Federal Reserve Bank anticipates interest rates to increase to 2% by the end of 2021 and remain near that level in 2022, due to inflation increasing. The estimated Investment Income is based on an average rate earned over the prior three years. The Investment Income is projected to increase in FY 2021 compared to FY 2020 actuals based on the current higher than average balances. Through May 2021, the Authority has received an average yield of 0.21% on all investments.

Other Revenue

Assumptions:

\$1.5M

Rationale:

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 the 2022 Tax Budget, Other Revenue is budgeted at \$1.5 million.

Reimbursed Expenditures

Assumptions:

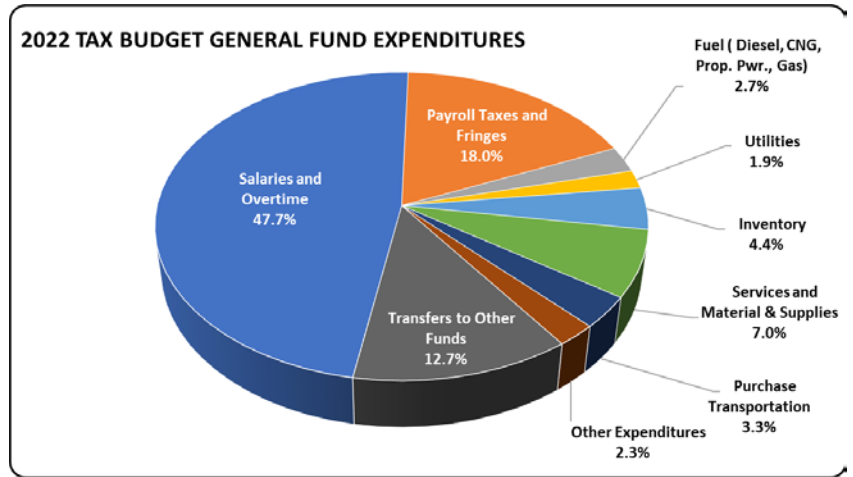
Preventive Maintenance Activities
Federal Operating Assistance (ARP)
Fuel Tax Reimbursement
Reimbursed Labor
Other Reimbursements
Total

\$1.0M
\$68.0M
\$0.0M
\$2.0M
\$2.0M
\$73.0M

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 2022 Tax Budget, revenues from Reimbursed Expenditures are budgeted at \$73.0 million. For FY 2022 and FY 2023 the authority will retain \$1.0 million of preventive maintenance funds. In response to the economic distress caused by the coronavirus pandemic, the Authority projects to drawdown \$68 million of the American Rescue Plan funding in FY 2022. Other reimbursements include fuel tax reimbursements, reimbursed labor, and other reimbursements, which are projected at \$2.0 million each.

EXPENDITURES



Salaries and Overtime

Assumption:

Rationale:

\$146.6M

Total salaries and overtime for the 2022 Tax Budget are estimated at \$146.6 million and account for 47.7% of RTA's General Fund expenses. This includes a 3% wage increase for all employees. Total wages for 2022, including payroll taxes and fringes, are estimated to increase by 1.3% compared to FY 2021 actuals.

Payroll Taxes and Fringes

Assumption:

Rationale:

\$51.7M

Payroll Taxes and Fringe Benefits are budgeted at \$51.7 million for the 2022 Tax Budget and account for about 18.0% of General Fund expenses. The main expenses include payroll taxes, health care, prescription, vision, dental, uniform allowances, Medicare and PERS (pension) expenses.

Fuel

Assumptions:

Diesel Fuel

\$3.1M

Gasoline

\$0.7M

Propane

\$0.1M

Propulsion Power

\$2.7M

Compressed Natural Gas

\$1.6M

Diesel Fuel Tax

\$1.4M

Total

\$9.6M

Rationale:

The Energy Price Risk Management Program has helped to stabilize the cost of diesel fuel, which has been one of GCRTA's most volatile expenses. The Authority's diesel fuel usage has decreased over the years as more CNG buses are placed into service and older diesel vehicles are retired. For 2022, 20 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 2022 Tax Budget, the total Fuel cost is estimated at \$9.6 million.

Other Expenditures

Assumptions:

<i>Utilities</i>	<i>\$4.2M</i>
<i>Inventory</i>	<i>\$13.2M</i>
<i>Services & Materials</i>	<i>\$20.8M</i>
<i>Purchased Transportation/ADA</i>	<i>\$9.9M</i>
<i>Other Expenditures</i>	<i>\$6.8M</i>
<i>Total</i>	<i>\$54.9M</i>

Rationale:

The Utilities category includes natural gas (for facility heating), water/sewer, electricity, and telephone expenses. This category is budgeted at \$4.2 million for the 2022 Tax Budget or 1.4% of all General Fund expenditures. Electricity and natural gas usage are managed through the contracts. RTA has reduced electricity costs by nearly \$21.5 million over the last eight years. The current contract for electricity began in 2018, which stabilized costs through 2021 at favorable prices for the Authority. A new contract for electricity is currently being negotiated. Natural gas commodity costs are locked in through mid-2022. A new contract will begin in 2022.

Inventory is budgeted at \$13.2 million, or 4.3% 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 Authority continues to implement the predictive maintenance program that started in 2015, where 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 \$20.8 million for the 2022 Tax Budget, 6.9% of all General Fund expenditures. The out years are planned to increase slightly each year based on the contracts.

Purchased Transportation/ADA is budgeted at \$9.9 million for the 2022 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 2022 Tax Budget, \$6.8 million is budgeted for this category.

Transfers

Assumption:

<i>Bond Retirement</i>	<i>\$14.0M</i>
<i>Capital Improvements</i>	<i>\$12.3M</i>
<i>Insurance Fund</i>	<i>\$3.0M</i>
<i>Reserve Fund</i>	<i>\$10.9M</i>
<i>Pension Fund</i>	<i>\$0.04M</i>
<i>Total</i>	<i>\$40.2M</i>

Rationale:

Transfers shown for the Bond Retirement are for the debt service less the investment income earned in the Bond Retirement Fund. The \$14.0 million transfer to the Bond Retirement Fund for 2022 is needed to pay the principal and interest on all debt for 2022, as well as to 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 11.2%, 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 \$3.0 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 2022 Fiscal Year. A transfer of \$10.9 million to the Reserve Fund will cover a \$10 million transfer for rail vehicles and \$0.9 million, which covers 1/12 of 27th pay expenses. Lastly, the \$40,000 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 2022 Tax Budget yields a 10.7% ratio, which is below the policy objective. The Operating Ratio for 2021 is estimated at 10.2%. Ridership fell over 50% due to the COVID-19 pandemic. These ratios will not be met even though ridership is slowly increasing as the economy continues to open.

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 projected ending balance of \$179.9 million, the Operating Reserve for the 2022 Tax Budget is budgeted at 8.2 months. The Operating Reserves planned for 2023 is estimated at 6.0-month. The financial assistance received under the CARES Act, CRRSAA and ARP have helped sustain operations during the pandemic. The higher ending balance will ensure a level of stability in mitigating lingering effects of the pandemic on ridership and sale tax revenue into 2023 and assist in the Authority making some community investments.

Growth per Year: This policy requires that growth in the cost per hour of service from year to year be 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 inflation estimate for 2022 is 2.5%. The 2022 Tax Budget estimates the cost per hour of service at \$157.7, which is 1.6% above FY 2021. This indicator is projected to be met.

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 2022 Tax Budget estimates the debt service coverage at 14.37, above Board policy minimum of 1.50. The debt service coverage is projected to be 13.39 in 2023. The authority will be defeasing \$60 million of debt service in 2021, which will reduce the annual interest paid in future years.

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 11.9%, this indicator is projected to be met.

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 2022 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. In FY 2021, funds received from PM reimbursement have been transferred back to the Capital Improvement Funds to decrease the number of unfunded projects.

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 2022 through 2026 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 24 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. Debt service payments of \$14.2 million are expected in 2022. There are no new debt sales to be issued in FY 2022 or FY 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 includes a combination of self and purchased insurance coverages. Projected activities in 2022 include a combined \$2.9 million for premium outlays and payments for the settlement of claims. This will require a \$3.0 million transfer from the General Fund to maintain the recommended fund balance set 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 2022 include \$14,000 of revenue from investment income, a \$40,000 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. Total expenditures for FY 2022 is estimated at \$20,000.

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 \$10.9 million is budgeted in the 2022 Tax Budget for replacement of rail vehicles and 27th pay period expenses. A transfer of \$10 million to the RTA Development Fund for the Rail Car Replacement is estimated for 2022.

In summary, four of the six financial goals meet the Board Policy Goals for the 2022 Tax Budget. The stimulus funding has helped to maintain a strong position during the pandemic. The Authority's biggest challenge is keeping up with the aging infrastructure and SOGR needs, and Federal capital funding is crucial.

ATTACHMENT A
General Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	41,577,395	133,581,757	158,738,628	179,914,042	133,434,419
Revenue					
Passenger Fares	24,044,664	24,028,471	24,268,756	24,632,787	25,002,279
Advertising & Concessions	2,337,735	918,529	1,803,916	1,803,916	1,803,916
Sales & Use Tax	210,147,468	217,315,596	221,661,908	226,649,301	232,315,533
Federal Operating Assistance - CARES Act	111,977,170	0	0	0	0
Fed. Operating Assistance - CRRSAA	0	67,416,467	0	0	0
Fed. Operating Assistance - ARP	0	68,007,211	68,007,211	0	0
Investment Income	698,786	1,466,424	2,100,000	2,000,000	1,900,000
Other Revenue	364,250	1,259,784	1,500,000	1,500,000	1,500,000
Reimbursed Expenditures	26,963,719	17,220,878	5,000,000	5,000,000	5,000,000
Total Revenue	376,533,792	397,633,360	324,341,791	261,586,004	267,521,728
Total Resources	418,111,187	531,215,117	483,080,419	441,500,046	400,956,147
Operating Expenditures					
Salaries and Overtime	138,668,611	140,810,054	146,649,796	150,651,821	154,773,907
Payroll Taxes and Fringes	52,142,719	54,993,212	51,732,827	51,857,556	51,944,807
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,780,650	9,368,640	9,629,220	9,635,846	9,635,846
Utilities	3,576,407	4,136,256	4,220,400	4,220,400	4,220,400
Inventory	13,341,465	14,779,843	13,200,000	13,200,000	13,266,000
Services and Material & Supplies	18,809,509	20,246,780	20,802,000	20,802,000	20,802,000
Purchase Transportation	7,599,160	8,284,294	9,859,200	9,868,409	9,868,409
Other Expenditures	3,783,813	6,316,159	6,853,200	6,853,200	6,853,200
Total Operating Expenditures	246,702,334	258,935,238	262,946,642	267,089,232	271,364,569
Transfers to (from) Other Funds					
Transfer to (from) the Insurance Fund	0	2,100,000	3,000,000	2,800,000	2,900,000
Transfer to (from) the Pension Fund	50,000	45,000	40,000	40,000	40,000
Transfers to Reserve Fund	10,878,615	10,878,615	10,878,615	10,878,615	10,878,615
Transfers from the Reserve Fund	(1,450,000)				
Transfers to (from) Capital					
Bond Retirement Fund	14,950,956	72,600,000	14,000,000	11,023,537	11,400,000
Capital Improvement Fund	13,397,525	27,917,636	12,301,120	16,234,243	14,541,450
Total Transfers to (from) Capital	28,348,481	100,517,636	26,301,120	27,257,780	25,941,450
Total Transfers to (from) Other Funds	37,827,096	113,541,251	40,219,735	40,976,395	39,760,065
Total Expenditures	284,529,430	372,476,489	303,166,377	308,065,627	311,124,634
Available Ending Balance	133,581,757	158,738,628	179,914,042	133,434,419	89,831,513

ATTACHMENT B

**2022 Tax Budget
Financial Policy Goals**

		Goal	2020 Actual	2021 Projection	2022 Tax Budget	2023 Plan	2024 Plan
Operating Efficiency	Operating Ratio	≥ 25%	11.0%	10.2%	10.7%	10.7%	10.6%
	Cost per Service Hour		\$195.9	\$155.3	\$157.7	\$160.2	\$162.7
	Growth per Year	≤ Rate of Inflation	49.7%	-20.8%	1.6%	1.6%	1.6%
	Operating Reserve (Months)	≥ 1 month	6.5	7.4	8.2	6.0	4.0
Capital Efficiency	Debt Service Coverage	≥ 1.5	9.72	3.16	14.37	13.39	9.66
	Sales Tax Contribution to Capital	≥ 10%	13.5%	46.3%	11.9%	12.0%	11.2%
	Capital Maintenance to Expansion	75% - 90%	100.0%	100.0%	100.0%	100.0%	100.0%

ATTACHMENT C

Capital Improvement Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	44,377,784	32,437,292	88,377,185	29,187,368	41,574,051
Revenue					
Transfer from General Fund	13,397,525	27,917,636	12,301,120	16,234,243	14,541,450
Transfer from Reserve Fund	0	49,000,000	10,000,000	10,000,000	10,000,000
Investment Income	1,079,699	265,000	265,000	265,000	765,000
Federal Capital Grants	42,000,277	92,633,201	78,749,296	80,698,696	88,283,460
CARES Act / CRRSAA Assistance	111,977,170	203,430,888	0	0	
State Capital Grants	2,702,681	10,464,375	10,136,598	10,136,598	1,384,658
Debt Service Proceeds	0	0	0	0	0
Other Revenue	12,800	0	0	0	0
Total Revenue	171,170,152	383,711,099	111,452,014	117,334,537	114,974,567
Total Resources	215,547,936	416,148,392	199,829,199	146,521,905	156,548,618
Expenditures					
Capital Outlay	71,133,474	191,174,752	102,634,620	104,947,854	127,535,826
Capital Outlay - CARES Act / CRRSAA	111,977,170	135,423,678	68,007,211	0	
Other Expenditures	0	1,172,777	0	0	0
Total Expenditures	183,110,644	327,771,207	170,641,831	104,947,854	127,535,826
Available Ending Balance	32,437,292	88,377,185	29,187,368	41,574,051	29,012,792

ATTACHMENT D
Bond Retirement Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	7,145,347	5,946,363	2,055,863	1,942,413	1,500,000
Revenue					
Transfer from General Fund	14,950,956	72,600,000	14,000,000	11,023,537	11,400,000
Transfer from RTA Development Fund	0	0	0	0	0
Investment Income	107,770	135,000	135,000	135,000	135,000
Bond Premium Proceeds	0	0	0	0	0
Other Revenue	0	0	0	0	0
Total Revenue	15,058,726	72,735,000	14,135,000	11,158,537	11,535,000
Reconciling Journal Entry	0	0	0	0	0
Total Resources	22,204,073	78,681,363	16,190,863	13,100,950	13,035,000
Expenditures					
Debt Service					
Principal	10,560,000	11,345,000	9,535,000	7,610,000	7,995,000
Interest	5,697,710	5,279,000	4,711,950	3,989,450	3,608,950
Other Expenditures	0	60,001,500	1,500	1,500	1,500
Total Expenditures	16,257,710	76,625,500	14,248,450	11,600,950	11,605,450
Ending Balance	5,946,363	2,055,863	1,942,413	1,500,000	1,429,550

ATTACHMENT E
Insurance Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	7,808,801	5,827,793	5,043,793	5,172,793	5,088,793
Revenue					
Investment Income	177,397	35,000	35,000	35,000	35,000
Transfer from General Fund	0	2,100,000	3,000,000	2,800,000	2,900,000
Transfer from RTA Development Fund	0	0	0	0	0
Other Revenue	0	0	0	0	0
Total Revenue	177,397	2,135,000	3,035,000	2,835,000	2,935,000
Total Resources	7,986,198	7,962,793	8,078,793	8,007,793	8,023,793
Expenditures					
Claims and Premium Outlay	2,158,405	2,919,000	2,906,000	2,919,000	3,000,000
Other Expenditures	0		0	0	0
Total Expenditures	2,158,405	2,919,000	2,906,000	2,919,000	3,000,000
Ending Balance	5,827,793	5,043,793	5,172,793	5,088,793	5,023,793

ATTACHMENT F

Supplemental Pension Fund Balance Analysis

	2020 Actual	2021 Projection	2022 Tax Budget	2023 Plan	2024 Plan
Beginning Balance	1,376,779	1,288,956	1,289,956	1,285,956	1,284,956
Revenue					
Investment Income	13,704	14,000	14,000	14,000	14,000
Transfer from General Fund	50,000	45,000	40,000	40,000	40,000
Total Revenue	63,704	59,000	54,000	54,000	54,000
Total Resources	1,440,483	1,347,956	1,343,956	1,339,956	1,338,956
Expenditures					
Benefit Payments	151,527	58,000	58,000	55,000	55,000
Transfer to the General Fund	0	0	0		
Other Expenditures	0	0	0	0	0
Total Expenditures	151,527	58,000	58,000	55,000	55,000
Reconciling Journal Entry	0	0	0	0	0
Ending Balance	1,288,956	1,289,956	1,285,956	1,284,956	1,283,956

ATTACHMENT G
Law Enforcement Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	65,164	57,550	59,550	61,550	63,550
Revenue					
Law Enforcement Revenue	12,571	20,000	20,000	20,000	20,000
Law Enforcement Training Revenue	0	0	0	0	0
Investment Income	422	2,000	2,000	2,000	2,000
Other Revenue	0	0	0	0	0
Total Revenue	12,993	22,000	22,000	22,000	22,000
Total Resources	78,157	79,550	81,550	83,550	85,550
Expenditures					
Capital & Related Items	20,607	20,000	20,000	20,000	20,000
Training	0	0	0	0	0
Total Expenditures	20,607	20,000	20,000	20,000	20,000
Reconciling Journal Entry	0	0	0	0	0
Ending Balance	57,550	59,550	61,550	63,550	65,550

ATTACHMENT H
Reserve Fund Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	41,473,850	52,898,078	15,401,693	17,030,308	18,808,923
Revenue					
Investment Income	1,895,613	625,000	750,000	900,000	900,000
Transfer from GF for Compensated Absences	0	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	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615	878,615	878,615
Other Revenue	100,000	0	0	0	0
Total Revenue	12,874,228	11,503,615	11,628,615	11,778,615	11,778,615
Total Resources	54,348,078	64,401,693	27,030,308	28,808,923	30,587,538
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	49,000,000	10,000,000	10,000,000	10,000,000
Transfer to General Fund (27th Pay - 2024)	1,450,000	0	0	0	0
Total Expenditures	1,450,000	49,000,000	10,000,000	10,000,000	10,000,000
Ending Balance	52,898,078	15,401,693	17,030,308	18,808,923	20,587,538
Rolling Balances					
Compensated Absences	3,831,458	3,876,814	3,943,961	4,153,619	4,353,430
Fuel	2,703,802	2,735,809	2,783,194	2,931,146	3,072,150
Hospitalization	2,768,042	2,800,809	2,849,320	3,000,787	3,145,141
Rolling Stock	40,442,474	1,921,214	2,439,459	2,569,139	2,692,728
27th Pay: Salary: 2020 / Hourly 2025	3,052,302	3,967,048	4,914,374	6,054,233	7,224,089
Total	52,798,078	15,301,693	16,930,308	18,708,923	20,487,538

ATTACHMENT I
All Funds Balance Analysis

	2020	2021	2022	2023	2024
	Actual	Projection	Tax Budget	Plan	Plan
Beginning Balance	143,825,121	232,037,790	270,966,668	234,594,430	201,754,692
Revenue					
Passenger Fares	24,044,664	24,028,471	24,268,756	24,632,787	25,002,279
Sales & Use Tax	210,147,468	217,315,596	221,661,908	226,649,301	232,315,533
Federal	42,000,277	92,633,201	78,749,296	80,698,696	88,283,460
CARES Act / CRRSAA	111,977,170	67,416,467	0	0	
ARP		136,014,421			
State	2,702,681	10,464,375	10,136,598	10,136,598	1,384,658
Investment Income	3,973,391	2,542,424	3,301,000	3,351,000	3,751,000
Other Revenue	29,791,075	19,419,191	8,323,916	8,323,916	8,323,916
Debt Service Proceeds	0	0	0	0	0
Total Revenue	424,636,726	569,834,146	346,441,474	353,792,298	359,060,846
Total Resources	568,461,847	801,871,935	617,408,142	588,386,728	560,815,537
Expenditures					
Personnel Services	190,811,330	195,803,266	198,382,623	202,509,377	206,718,714
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,780,650	9,368,640	9,629,220	9,635,846	9,635,846
Utilities	3,576,407	4,136,256	4,220,400	4,220,400	4,220,400
Inventory	13,341,465	14,779,843	13,200,000	13,200,000	13,266,000
Services & Materials	18,809,509	20,246,780	20,802,000	20,802,000	20,802,000
Purchased Transportation	7,599,160	8,284,294	9,859,200	9,868,409	9,868,409
Other Expenditures	6,114,352	70,487,436	9,838,700	9,848,700	9,929,700
Capital Outlay	71,133,474	191,174,752	102,634,620	104,947,854	127,535,826
Debt Service	16,257,710	16,624,000	14,246,950	11,599,450	11,603,950
Total Expenditures	336,424,057	530,905,267	382,813,712	386,632,036	413,580,845
Available Ending Balance	232,037,790	270,966,668	234,594,430	201,754,692	147,234,692



Greater Cleveland Regional Transit Authority
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