

RESOLUTION NO. 1988 - 129

A RESOLUTION ADOPTING THE TAX BUDGET OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY FOR THE FISCAL YEAR BEGINNING JANUARY 1, 1989 AND SUBMITTING THE SAME TO THE COUNTY AUDITOR

WHEREAS, a tax budget for the Greater Cleveland Regional Transit Authority for the fiscal year beginning January 1, 1989, for the purpose of said Authority during such year, and of revenues to be received for such fiscal year, including all general and special taxes, fees, rental, charges, and all other types or classes of revenues, also estimates of all expenditures or charges in or for the purposes of such fiscal year to be paid or met from the said revenues, and otherwise conforming with the requirements of law, has been prepared; and

WHEREAS, said budget has been made conveniently available for public inspection for at least ten (10) days by having at least two (2) copies thereof of file in the office of the Assistant General Manager - Fiscal of this Authority; and

WHEREAS, the Board of Trustees on this day has held a public hearing on said budget of which public notice was given by publication in The Plain Dealer on June 16, 1988.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the budget of the Greater Cleveland Regional Transit Authority, for the fiscal year beginning January 1, 1989, heretofore prepared and submitted to this Board of Trustees, copies of which have been and are on file in the Office of the Assistant General Manager - Fiscal with the revisions to said tentative budget which are incorporated therein and which are hereby approved, is hereby adopted as the official Tax Budget of said Authority for the fiscal year beginning January 1, 1989.

Section 2. That the Assistant General Manager - Fiscal be and he is hereby authorized and directed to have certified a copy of said budget and a copy of this resolution and to transmit the same to the Auditor of Cuyahoga County, Ohio.

Section 3. That this resolution shall be effective immediately upon its adoption.

Adopted: July 19, 1988


President

Attest:


Assistant Secretary-Treasurer

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1989
 GENERAL FUND

	<u>1986</u> <u>ACTUAL</u>	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ESTIMATED</u>	<u>1989</u> <u>ESTIMATED</u>
CASH AND INVESTMENTS - January 1	\$ 24,425,838	\$ 32,140,594	\$ 21,366,023	\$ 31,331,049
Encumbrances				<14,700,000>
<u>REVENUES</u>				
Transportation:				
— Passenger	35,639,237	35,807,608	35,183,000	36,026,000
— Charter	104,743	71,223	22,000	25,000
Advertising and Concessions	529,419	666,863	717,000	788,000
Sales and Use Tax Proceeds	81,767,485	84,241,130	87,418,000	91,350,000
Federal Operating Assistance	11,287,676	1,188,006	20,549,522	10,868,800
State Operating Assistance	5,825,376	5,962,875	6,313,070	6,557,500
Ohio Elderly Fare Assistance	497,639	799,653	662,434	662,400
Interest Income	2,186,532	2,191,584	2,000,000	2,000,000
Other	676,582	657,193	400,000	400,000
Reimbursed Expenditure	<u>1,901,305</u>	<u>708,074</u>	<u>1,700,000</u>	<u>1,700,000</u>
Revenue Subtotal	<u>140,415,994</u>	<u>132,294,209</u>	<u>154,965,026</u>	<u>150,377,700</u>
TOTAL CASH, INVESTMENTS AND REVENUES	<u>164,841,832</u>	<u>164,434,803</u>	<u>176,331,049</u>	<u>167,008,749</u>
<u>EXPENDITURES</u>				
Personnel Services	80,642,736	84,553,153	87,674,833	87,675,000
Other Operating Expenditures	38,075,672	35,321,850	42,225,167	44,125,000
Transfers:				
— Employer PERS Contribution	-0-	4,996,988	3,500,000	-0-
— Bond Retirement Fund	7,232,830	8,287,000	8,600,000	8,098,000
— Local Match	3,000,000	8,509,789	1,000,000	1,000,000
— Pension Fund	100,000	100,000	-0-	-0-
— Insurance Fund	<u>3,650,000</u>	<u>1,300,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
TOTAL EXPENDITURES	<u>132,701,238</u>	<u>143,068,780</u>	<u>145,000,000</u>	<u>142,898,000</u>
TOTAL CASH AND INVESTMENTS December 31	<u>\$ 32,140,594</u>	<u>\$ 21,366,023</u>	<u>\$ 31,331,049</u>	<u>\$ 24,110,749</u>

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1989
 BOND RETIREMENT FUND

	<u>1986</u> <u>ACTUAL</u>	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ESTIMATED</u>	<u>1989</u> <u>ESTIMATED</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 1,445,325	\$ 777,973	\$ 733,763	\$ 729,000
<u>REVENUES</u>				
Transfers From Other Funds	18,134,000	9,084,000	8,600,612	8,019,000
Investment Income	<u>245,774</u>	<u>202,790</u>	<u>199,000</u>	<u>192,500</u>
TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUES	<u>19,825,099</u>	<u>10,064,763</u>	<u>9,533,375</u>	<u>8,940,500</u>
<u>EXPENDITURES</u>				
Debt Service for Bond Anticipation Notes:				
-- Principal	10,000,000	-0-	-0-	-0-
-- Interest	557,000	-0-	-0-	-0-
Debt Service for Capital Improvement Bonds:				
-- Principal	3,700,000	4,600,000	4,600,000	4,600,000
-- Interest	<u>4,790,126</u>	<u>4,731,000</u>	<u>4,204,375</u>	<u>3,677,750</u>
TOTAL EXPENDITURES	<u>19,047,126</u>	<u>9,331,000</u>	<u>8,804,375</u>	<u>8,277,750</u>
TOTAL CASH AND SHORT-TERM INVESTMENTS - December 31	<u>\$ 777,973</u>	<u>\$ 733,763</u>	<u>\$ 729,000</u>	<u>\$ 662,750</u>

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
CUYAHOGA COUNTY, OHIO
TAX BUDGET - 1989
CAPITAL IMPROVEMENT FUND

	<u>1986</u> <u>ACTUAL</u>	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ESTIMATED</u>	<u>1989</u> <u>ESTIMATED</u>
CASH AND INVESTMENTS - January 1	\$ 21,218,419	\$ 20,835,259	\$ 27,217,823	\$ 22,557,826
Encumbrances	<2,124,874>	<5,509,789>		
<u>REVENUES</u>				
Transfers From General Fund	3,000,000	8,509,789	1,000,000	1,000,000
Earnings on Investments	1,901,172	2,064,142	2,500,000	2,200,000
Federal Capital Grants	10,880,701	11,507,970	41,085,000	50,845,000
State & Local Capital Grant	2,563,748	5,210,926	5,136,000	6,356,000
Other Income	-0-	-0-	-0-	-0-
Sale of Bonds & Bond Anticipation Notes	9,000,000	-0-	-0-	-0-
Sale and Leaseback	<u>2,124,874</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL CASH, SHORT-TERM INVESTMENTS, AND REVENUES	<u>48,564,040</u>	<u>42,618,297</u>	<u>76,938,823</u>	<u>82,958,826</u>
<u>EXPENDITURES</u>				
Capital Outlay	16,827,611	14,603,474	53,752,337	64,405,760
Transfer to Bond Retirement Fund	<u>10,901,170</u>	<u>797,000</u>	<u>628,660</u>	<u>-0-</u>
TOTAL EXPENDITURES	<u>27,728,781</u>	<u>15,400,474</u>	<u>54,380,997</u>	<u>64,405,760</u>
TOTAL CASH AND INVESTMENTS December 31	<u>\$ 20,835,259</u>	<u>\$ 27,217,823</u>	<u>\$ 22,557,826</u>	<u>\$ 18,553,066</u>

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1989
 INSURANCE FUND

	<u>1986</u> <u>ACTUAL</u>	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ESTIMATED</u>	<u>1989</u> <u>ESTIMATED</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 2,117,028	\$ 5,986,002	\$ 7,952,328	\$ 10,583,328
<u>REVENUES</u>				
Transfer From General Fund	3,650,000	1,300,000	2,000,000	2,000,000
Investment Income	<u>218,974</u>	<u>666,326</u>	<u>631,000</u>	<u>835,000</u>
TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUES	<u>5,986,002</u>	<u>7,952,328</u>	<u>10,583,328</u>	<u>13,418,328</u>
<u>EXPENDITURES</u>				
Claims Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXPENDITURES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL CASH AND SHORT-TERM INVESTMENTS - December 31	<u>\$ 5,986,002</u>	<u>\$ 7,952,328</u>	<u>\$ 10,583,328</u>	<u>\$ 13,418,328</u>

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1989
 SUPPLEMENTAL PENSION FUND

	<u>1986</u> <u>ACTUAL</u>	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ESTIMATED</u>	<u>1989</u> <u>ESTIMATED</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 1,889,780	\$ 1,924,947	\$ 2,154,276	\$ 2,096,276
<u>REVENUES</u>				
Income on Investments	187,883	460,254	172,000	155,000
Employer Contributions	<u>100,000</u>	<u>5,617,640</u>	<u>2,955,454</u>	<u>-0-</u>
TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUES	<u>2,177,663</u>	<u>8,002,841</u>	<u>5,281,730</u>	<u>2,251,276</u>
<u>EXPENDITURES</u>				
Service Credit Cost	-0-	5,608,069	2,955,454	-0-
Benefit Payments	<u>252,716</u>	<u>240,496</u>	<u>230,000</u>	<u>225,000</u>
TOTAL EXPENDITURES	<u>252,716</u>	<u>5,848,565</u>	<u>3,185,454</u>	<u>225,000</u>
TOTAL CASH AND SHORT-TERM INVESTMENTS - December 31	<u>\$ 1,924,947</u>	<u>\$ 2,154,276</u>	<u>\$ 2,096,276</u>	<u>\$ 2,026,276</u>

6/22/88

TAX BUDGET OVERVIEW

The Tax Budget consists of several different funds; each playing a vital role in operation of the Authority. The total maximum budget for 1989 is projected to be \$215,806,510. The major components are shown below:

1989 Tax Budget

General Fund	\$142,898,000
Capital Improvement Fund	64,405,760
Bond Retirement Fund	8,277,750
Pension Fund	225,000
Insurance Fund	<u>-0-</u>
Total Budget - All Funds	\$215,806,510
Less: Transfers	<u>11,098,000</u>
Net Budget - All Funds	<u>\$204,708,510</u>

FINANCIAL ASSUMPTIONS

GENERAL FUND

ENCUMBRANCES

Encumbrances are recorded when a commitment is made to acquire goods or services. Encumbrances reduce available appropriations, demonstrate legal compliance, provide management control, and help achieve cash planning objectives. The estimated encumbrances for the year ending December 31, 1988 are \$14.7 million.

PASSENGER REVENUES

Passenger revenues include farebox cash (bus, heavy rail, light rail, Maple Heights, North Olmsted, CRT, and special service), prepaid fares (local, express, combination & student tickets and weekly/monthly local & express passes) and Yellow Cab/CRT.

For purposes of this report, overall ridership is projected to increase by 2% in 1989, and 1989 rail fare revenue will also realize a full 6% annual improvement over 1987 due to the new farebox installation on the rail system in 1988.

CHARTER REVENUE

In accordance with UMTA's final charter regulations, published April 13, 1987, RTA has discontinued charter service using UMTA funded equipment or facilities where there is at least one private charter operator willing and able to provide the charter service that the public operator desires to provide. The effective date of this new service regulation was September 30, 1987. Since that date, charter service has been primarily limited to contracting out to private charter operators who are short of coaches.

OTHER OPERATING EXPENDITURES

Other Operating Expenditures include services, materials and supplies, utilities, casualty insurance, purchased transportation, leases, inventory and miscellaneous expenditures. The amount estimated is based upon the same level of operation as provided in the 1988 budget, plus (1) an inflation rate of 4.5% and (2) resources available.

TRANSFERS

The Bond Retirement transfer represents the funds needed to effect the scheduled retirement of the Capital Improvement Bonds.

The Capital Improvement transfer represents fund needed to fund present and future local share needs.

The insurance Fund Contribution reflects the board adopted policy of self-reliance regarding liability arising out of the operation of the GCRTA and increased direct funding to the Insurance Fund. The funding level in 1989 represents the funds necessary to reach a fund level of \$13,000,000 by the end of 1989.

BOND RETIREMENT FUND

In 1989 the General Fund will be the sole source of all funds necessary to make bond interest and principal payments, These long-term obligations will expire in 1998.

CAPITAL IMPROVEMENT FUND

No additional debt issuances are anticipated at this time. Funds need to meet the local share requirements of the present and pending grants will be provided thru the retention of investment earnings and continued contributions from the General Fund. Capital outlays in 1989 are the same as projected in the five-year plan for capital construction & equipment as included in the 1988 Budget Appropriation.

SUPPLEMENTAL PENSION FUND

Authority employees who were employed by predecessor transit systems are covered by supplemental benefit payments. This plan is fully funded. The estimated liability as of December 31, 1987 is \$2,056,600.

INSURANCE FUND

The authority adopted a policy of self-reliance regarding liability arising out of the operation of the GCRTA. The goal of the Authority is to have an Insurance Fund reserve of \$13 million by the end of fiscal year 1989.

6/28/88