

A RESOLUTION ADOPTING THE TAX BUDGET OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY FOR THE FISCAL YEAR BEGINNING JANUARY 1, 1990 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, 1990, 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 - Finance and Administration 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 July 3, 1989.

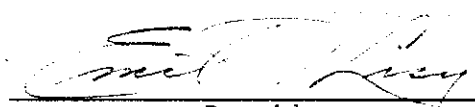
NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the budget of the Greater Cleveland Regional Transit Authority, for the fiscal year beginning January 1, 1990, 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 - Finance and Administration 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, 1990.

Section 2. That the Assistant General Manager - Finance and Administration 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 18, 1989



President

Attest: 

Gen. Mgr./Secretary-Treasurer

ATTACHMENT A

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
CUYAHOGA COUNTY, OHIO
TAX BUDGET - 1990
GENERAL FUND

	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ACTUAL</u>	<u>1989</u> <u>ESTIMATED</u>	<u>1990</u> <u>BUDGET</u>
CASH AND INVESTMENTS - January 1	\$ 32,140,594	\$ 21,366,023	\$ 30,913,098	30,175,452
Encumbrances				<13,500,000>
<u>REVENUES</u>				
Transportation:				
— Passenger	35,807,608	35,808,581	35,630,000	36,100,000
— Charter	71,223	27,058	20,000	20,000
Advertising and Concessions	666,863	494,074	1,021,087	808,000
Sales and Use Tax Proceeds	84,241,130	91,690,099	95,400,000	100,200,000
Federal Operating Assistance	1,188,006	16,191,817	13,365,822	9,893,000
State Operating Assistance	5,962,875	9,461,590	6,475,663	6,355,000
Ohio Elderly Fare Assistance	799,653	331,217	813,848	651,000
Interest Income	2,191,584	2,273,604	2,600,000	2,600,000
Other	657,193	570,158	819,000	600,000
Reimbursed Expenditure	<u>708,074</u>	<u>944,287</u>	<u>1,419,000</u>	<u>1,000,000</u>
Revenue Subtotal	<u>132,294,209</u>	<u>157,792,485</u>	<u>157,564,420</u>	<u>158,227,000</u>
TOTAL CASH, INVESTMENTS AND REVENUES	<u>164,434,803</u>	<u>179,158,508</u>	<u>188,477,518</u>	<u>174,902,452</u>
<u>EXPENDITURES</u>				
Personnel Services	84,553,153	87,840,915	96,679,595	99,028,000
Other Operating Expenditures	35,321,850	41,975,422	44,079,471	46,283,000
Transfers:				
— Employer PERS Contribution	4,996,988	3,518,733	-0-	-0-
— Bond Retirement Fund	8,287,000	7,910,340	8,043,000	7,681,125
— Capital Improvements	8,509,789	5,000,000	9,500,000	10,000,000
— Pension Fund	100,000	-0-	-0-	-0-
— Insurance Fund	<u>1,300,000</u>	<u>2,000,000</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXPENDITURES	<u>143,068,780</u>	<u>148,245,410</u>	<u>158,302,066</u>	<u>162,992,125</u>
TOTAL CASH AND INVESTMENTS December 31	<u>\$ 21,366,023</u>	<u>\$ 30,913,098</u>	<u>\$ 30,175,452</u>	<u>\$ 11,910,327</u>

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1990
 BOND RETIREMENT FUND

	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ACTUAL</u>	<u>1989</u> <u>ESTIMATED</u>	<u>1990</u> <u>BUDGET</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 777,973	\$ 733,763	\$ 690,648	\$ 680,000
<u>REVENUES</u>				
Transfers From				
Other Funds	9,084,000	8,539,000	8,017,102	7,681,125
Investment Income	<u>202,790</u>	<u>222,260</u>	<u>250,000</u>	<u>240,000</u>
TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUE	<u>10,064,763</u>	<u>9,495,023</u>	<u>8,957,750</u>	<u>8,601,125</u>
<u>EXPENDITURE</u>				
Debt Service for Capital Improvement Bonds:				
— Principal	4,600,000	4,600,000	4,600,000	4,800,000
— Interest	<u>4,731,000</u>	<u>4,204,375</u>	<u>3,677,750</u>	<u>3,151,125</u>
TOTAL EXPENDITURES	<u>9,331,000</u>	<u>8,804,375</u>	<u>8,277,750</u>	<u>7,951,125</u>
TOTAL CASH AND SHORT-TERM - December 31	<u>\$ 733,763</u>	<u>\$ 690,648</u>	<u>\$ 680,000</u>	<u>\$ 650,000</u>

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1990
 CAPITAL IMPROVEMENT FUND

	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ACTUAL</u>	<u>1989</u> <u>ESTIMATED</u>	<u>1990</u> <u>BUDGET</u>
CASH AND INVESTMENTS - January 1	\$ 25,328,854	\$ 37,104,060	\$ 33,803,870	32,953,870
Encumbrances				(5,500,000)
<u>REVENUES</u>				
Sales Tax Contribution	-0-	-0-	9,500,000	9,900,000
Transfers From General Fund	8,509,789	5,000,000	-0-	-0-
Earnings on Investments	2,064,141	2,695,064	2,600,000	2,500,000
Federal Capital Grants	11,507,970	19,359,844	23,700,000	41,100,000
State & Local Capital Grants	<u>5,210,926</u>	<u>1,959,417</u>	<u>3,950,000</u>	<u>6,850,000</u>
TOTAL CASH, SHORT-TERM INVESTMENTS, AND REVENUES	<u>52,621,680</u>	<u>66,118,385</u>	<u>73,553,870</u>	<u>87,803,870</u>
<u>EXPENDITURES</u>				
Capital Outlay	14,720,620	31,685,855	40,600,000	69,300,000
Transfer to Bond Retirement Fund	<u>797,000</u>	<u>628,660</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXPENDITURES	<u>15,517,620</u>	<u>32,314,515</u>	<u>40,600,000</u>	<u>69,300,000</u>
TOTAL CASH AND INVESTMENTS December 31	<u>\$ 37,104,060</u>	<u>\$ 33,803,870</u>	<u>\$ 32,953,870</u>	<u>\$ 18,503,870</u>

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1990
 INSURANCE FUND

	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ACTUAL</u>	<u>1989</u> <u>ESTIMATED</u>	<u>1990</u> <u>BUDGET</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 5,986,002	\$ 7,952,328	\$ 10,487,782	\$ 11,357,782
<u>REVENUES</u>				
Transfer From General Fund	1,300,000	2,000,000	0	0
Investment Income	<u>666,326</u>	<u>535,454</u>	<u>870,000</u>	<u>940,000</u>
 TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUES	 <u>7,952,328</u>	 <u>10,487,782</u>	 <u>11,357,782</u>	 <u>12,297,782</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><u>\$ 7,952,328</u></u>	 <u><u>\$ 10,487,782</u></u>	 <u><u>\$ 11,357,782</u></u>	 <u><u>\$ 12,297,782</u></u>

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
 CUYAHOGA COUNTY, OHIO
 TAX BUDGET - 1990
 SUPPLEMENTAL PENSION FUND

	<u>1987</u> <u>ACTUAL</u>	<u>1988</u> <u>ACTUAL</u>	<u>1989</u> <u>ESTIMATED</u>	<u>1990</u> <u>BUDGET</u>
CASH AND SHORT-TERM INVESTMENTS - January 1	\$ 1,924,947	\$ 2,154,276	\$ 2,094,548	2,004,548
<u>REVENUES</u>				
Income on Investments	460,254	175,974	145,000	140,000
Employer Contributions	<u>5,604,943</u>	<u>3,506,838</u>	<u>-0-</u>	<u>-0-</u>
TOTAL CASH, SHORT-TERM INVESTMENTS AND REVENUES	<u>7,990,144</u>	<u>5,837,088</u>	<u>2,239,548</u>	<u>2,144,548</u>
<u>EXPENDITURES</u>				
Service Credit Cost	5,595,372	3,503,842	-0-	-0-
Benefit Payments	<u>240,496</u>	<u>238,698</u>	<u>235,000</u>	<u>222,000</u>
TOTAL EXPENDITURES	<u>5,835,868</u>	<u>3,742,540</u>	<u>235,000</u>	<u>222,000</u>
TOTAL CASH AND SHORT-TERM INVESTMENTS - December 31	<u><u>\$ 2,154,276</u></u>	<u><u>\$ 2,094,548</u></u>	<u><u>\$ 2,004,548</u></u>	<u><u>\$ 1,922,548</u></u>

ATTACHMENT B

GCRTA
1990 TAX BUDGET
ASSUMPTIONS

GENERAL FUND

Cash & Investments Jan. 1

- o 1989 is the actual audited figure.
- o 1990 is an estimate based on 1989 activity.

Encumbrances

- o Based on 1988 audited figures for accounts payable; accrued vacation and PERS; withholding taxes; and year end encumbrances. 1989 amounts estimated to be fairly constant.

Passenger Fares

- o 1989 based on May 1989 actuals extrapolated using 1985 thru 1988 history.
- o 1990 based on assumed average fare of 47.5¢ per Dual Hub study and ridership of 76 million.

Charter

- o 1989 based on May 1989 actual projected to year end.
- o 1990 estimated at same level as 1988.

Advtg./Concessions

- o 1989 based on collection activity of the 1988 and 1989 contract guarantees. \$298,750 received in 1989 against 1988 guarantee.
- o 1990 based on the contract guarantee of \$808,000.

Sales and Use Tax

- o 1989 based on May 1989 actuals which are running 4.8 ahead of last year; and collection pattern of last 3 years.
- o 1990 based on 5% growth due to projected cost of living increase.

Federal Operating Assistance

- o 1989 based on the actual UMTA grant for Federal Fiscal Year ending 9/30/89 and delayed collection activity of the 1988 grant. \$3,472,433 was received in 1989 for prior years grant, which totaled \$9,893,389.
- o 1990 based on anticipation of the same level of funding as in 1989. Grant contract not yet executed.

State Operating Assistance

- o 1989 based on the actual GCRTA grant for SFY 6/30/89 in the amount of \$6,354,899 and the receipt of pass thru funds for Laketrans estimated at \$120,713.
- o 1990 based on anticipation of the same level of funding as in 1989; July 6 recommendation of ODOT office; Governor has yet to approve the State budget. Approval expected late this month. Possibility of decrease.

Ohio Elderly Fare Assistance

- o 1989 based the actual GCRTA grant for SFY 6/30/89 in the amount of \$651,078 and delayed collection activity of the 1988 grant.
- o 1990 based on anticipation of the same level of funding as in 1989; Governor has yet to approve the State budget; Approval expected late this month.

Interest Income

- o 1989 based on May 1989 actuals projected to year end. This approach supported by historical data for 1988 with a variance factor 5%.
- o 1990 is based on the continuance of current rates; this is a very soft estimate due uncertainty of: (1) next years rates, and (2) uncertainty of the expenditure rates for 1988 and 1989.

Other (Damages recovered, I.D. fees, insurance reimbursements, rent, misc.)

- o 1989 based on May 1989 actuals factored by 12/5 after an adjustment for one time life insurance premium refund (\$192,944).
- o 1990 based on 1989 activity less the life insurance premium refund which has been eliminated for 1990. We have negotiated lower monthly premiums which in turn will eliminate the annual refund.

Reimbursed Expenditure (Fuel tax refunds, UMTA grant labor reimbursement)

- o 1989 based on May 1989 actuals which reflect the collection of prior year fuel tax refunds. May actuals, after adjustments, factored by 12/5.
- o 1990 based on the receipts of 12 months fuel tax refunds and the same level of grant labor reimbursements as projected in 1989.

Personnel Services

- o 1989 based on 1989 original budget. No revisions considered for Tax Budget purposes.
- o 1990 based on 1989 budget factored by union contract raises of 1.82% in February and 1.79% in August. These raises were applied across the board to all employees for Tax Budget purposes only.

Other Operating Expenditures

- o 1989 based on 1989 original budget. No revisions considered for Tax Budget purposes.
- o 1990 based on 1989 budget factored by a 5% inflation factor.

Transfers

- o Bond retirement transfers represent funds needed to effect the scheduled retirement of the Capital Improvement bonds. Capital Improvement transfers represent RTA's financial policy of transferring 10% of the Sales Tax proceeds annually to the Capital Improvement Fund. This amount is necessary to fund present and future local share needs and RTA's 100% locally funded capital improvement program.

Total Cash and Investments December 31

- o The amount of \$11,969,327 for 1990 plus the encumbered cash balance of \$13,500,000 totals \$25,469,327 and represents almost two months of the 1990 annual budget. RTA's recommended policy is well exceeded in that the financial policy calls for a minimum cash balance on hand of one month's expenditures.

INSURANCE FUND

- o Activity in this fund for 1989 and 1990 is limited to investment income. Any significant and/or catastrophic claims would come out of this fund. RTA's Risk Committee has determined that the 1990 year end cash and Investment balance of \$12,297,782 is sufficient to meet any unforeseen catastrophic losses.

SUPPLEMENTAL PENSION FUND

- o Authority employees who were employed by predecessor transit systems are covered by supplemental benefit payments. Since the plan is fully funded, the only activity is investment income and benefit payments. Interest rates are estimated to be stable throughout 1989 and 1990.

BOND RETIREMENT FUND

- o In 1990 the General Fund will be the sole source of all fund transfers necessary to make scheduled interest and principal payments. The last series of long-term debt will expire in 1998. Investment income is based on rates remaining stable throughout 1989 and 1990.

CAPITAL IMPROVEMENT FUND

o No additional debt issuances are anticipated at this time. Funds needed 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 Sales Tax Proceeds. Capital outlays in 1990 are the same as projected in the five-year plan for capital construction & equipment as included in the 1989 Budget Appropriation.