

RESOLUTION NO. 2002 – 199

A RESOLUTION TO MAKE APPROPRIATIONS FOR THE
CURRENT EXPENSES AND OTHER EXPENDITURES OF THE
GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
DURING THE YEAR 2003

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

Section 1: That the appropriations for the current expenses and other expenditures of the Greater Cleveland Regional Transit Authority during the period of January 1, 2003, through December 31, 2003, are as indicated below in order that the amount expended and encumbered in each classification during the fiscal year for which such appropriations are made and they are hereby set aside and appropriated:

GENERAL FUND

OPERATIONS DIVISION

31	PARATRANSIT DISTRICT	
	Personnel Services	8,745,591
	Other Expenditures	<u>2,457,850</u>
		11,203,441
32	RAIL DISTRICT	
	Personnel Services	25,456,766
	Other Expenditures	<u>7,248,393</u>
		32,705,159
34	TRANSIT POLICE	
	Personnel Services	7,297,685
	Other Expenditures	<u>319,924</u>
		7,617,609
35	SERVICE MANAGEMENT	
	Personnel Services	7,888,805
	Other Expenditures	<u>6,801,195</u>
		14,690,000
39	FLEET MANAGEMENT	
	Personnel Services	12,473,733
	Other Expenditures	<u>17,617,493</u>
		30,091,226
43	SATELLITES AND PASS THRU	
	Personnel Services	0
	Other Expenditures	<u>8,252,676</u>
		8,252,676

46	HAYDEN DISTRICT	
	Personnel Services	23,387,716
	Other Expenditures	<u>137,919</u>
		23,525,635
47	HARVARD DISTRICT	
	Personnel Services	24,627,281
	Other Expenditures	<u>164,118</u>
		24,791,399
48	BROOKLYN DISTRICT	
	Personnel Services	15,407,711
	Other Expenditures	<u>79,501</u>
		15,487,212
49	TRISKETT DISTRICT	
	Personnel Services	19,823,458
	Other Expenditures	<u>78,805</u>
		19,902,263
	DIVISION TOTAL	\$188,266,620
 <u>FINANCE & ADMINISTRATION DIVISION</u>		
60	ACCOUNTING	
	Personnel Services	1,304,810
	Other Expenditures	<u>28,600</u>
		1,333,410
61	INFORMATION SYSTEMS	
	Personnel Services	1,808,221
	Other Expenditures	<u>1,286,039</u>
		3,094,260
62	BUILDING ADMINISTRATION	
	Personnel Services	617,307
	Other Expenditures	<u>961,855</u>
		1,579,162
64	PROCUREMENT	
	Personnel Services	1,693,456
	Other Expenditures	<u>112,900</u>
		1,806,356
65	REVENUE	
	Personnel Services	1,280,988
	Other Expenditures	<u>961,650</u>
		2,242,638
	DIVISION TOTAL	\$10,055,826

ENGINEERING & PROJECT MANAGEMENT DIVISION

09	EUCLID CORRIDOR TRANSPORTATION PROJECT	
	Personnel Services	423,731
	Other Expenditures	<u>11,250</u>
		434,981
55	PROJECT SUPPORT	
	Personnel Services	409,172
	Other Expenditures	<u>780</u>
		409,952
57	PROGRAMMING & PLANNING	
	Personnel Services	418,492
	Other Expenditures	<u>3,250</u>
		421,742
80	PROJECT DEVELOPMENT & ENGINEERING	
	Personnel Services	1,225,219
	Other Expenditures	<u>135,075</u>
		1,360,294
	DIVISION TOTAL	\$ 2,626,969

LEGAL AFFAIRS DIVISION

15	SAFETY	
	Personnel Services	385,211
	Other Expenditures	<u>267,865</u>
		653,076
21	LEGAL	
	Personnel Services	1,158,862
	Other Expenditures	<u>253,284</u>
		1,412,146
22	RISK MANAGEMENT	
	Personnel Services	1,348,389
	Other Expenditures	<u>5,039,539</u>
		6,387,928
	DIVISION TOTAL	\$8,453,150

HUMAN RESOURCES DIVISION

10 OFFICE OF BUSINESS DEVELOPMENT

Personnel Services	495,572
Other Expenditures	<u>291,523</u>
	787,095

14 HUMAN RESOURCES

Personnel Services	854,476
Other Expenditures	<u>55,539</u>
	910,015

18 LABOR & EMPLOYEE RELATIONS

Personnel Services	552,659
Other Expenditures	<u>54,900</u>
	607,559

30 TRAINING & EMPLOYEE DEVELOPMENT

Personnel Services	1,364,671
Other Expenditures	<u>103,300</u>
	1,467,971

DIVISION TOTAL

\$ 3,772,640

OTHER DEPARTMENTS DIVISION

12 EXECUTIVE

Personnel Services	1,671,768
Other Expenditures	<u>327,200</u>
	1,998,968

16 SECRETARY/TREASURER –
BOARD OF TRUSTEES

Personnel Services	121,602
Other Expenditures	<u>129,700</u>
	251,302

19 INTERNAL AUDIT

Personnel Services	465,642
Other Expenditures	<u>34,294</u>
	499,936

53 MARKETING & COMMUNICATIONS

Personnel Services	1,867,537
Other Expenditures	<u>1,150,012</u>
	3,017,549

56	EXTERNAL AFFAIRS	
	Personnel Services	266,088
	Other Expenditures	<u>8,150</u>
		274,238
67	OFFICE OF MANAGEMENT & BUDGET	
	Personnel Services	725,208
	Other Expenditures	<u>25,450</u>
		750,658
99	FUNDS TRANSFERS	
	Personnel Services	0
	Other Expenditures	<u>18,893,007</u>
		18,893,007
	DIVISION TOTAL	\$ 25,685,658
	GRAND TOTALS	\$ 238,860,863

BOND RETIREMENT FUND

Debt Service - Principal	\$ 5,930,718
Debt Service - Interest	<u>6,073,971</u>
	\$ 12,004,689

CAPITAL IMPROVEMENT FUND

Construction and Acquisition of Transit Facilities and Equipment	\$ 180,061,551
Transfer to Bond Retirement Fund	<u>500,000</u>
	\$ 180,561,551

INSURANCE FUND

Claims & Premium Outlay	\$ 1,160,000
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SUPPLEMENTAL PENSION FUND

Benefit Payments	\$ 130,000
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CUMULATED APPROPRIATIONS

General Fund	\$ 238,860,863
Bond Retirement Fund	\$ 12,004,689
Capital Improvement Funds	\$ 180,561,551
Insurance Fund	\$ 1,160,000
Supplemental Pension Fund	\$ 130,000

Section 2: That transfers of funds may be made in this appropriation budget from one division to another, or within a division from one department to another, or from one line item to another, and shall be reported to the Board within thirty days after the end of the month in which said transfer occurred.

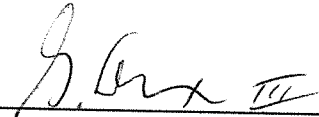
Section 3: That as part of this appropriation, the General Manager is granted the authority to upgrade or downgrade positions within the Authority provided the total number of positions approved in the budget is not exceeded. Furthermore, the General Manager may transfer positions from one department to another so long as the total number of positions approved in the budget is not exceeded.

Section 4: That this resolution from time to time may be amended in order to appropriate additional monies that may be received in 2003.

Section 5: That this resolution shall become effective immediately upon its adoption.

Adopted: December 17, 2002

Attest: 
CEO, General Manager/Secretary-Treasurer


President

General Fund Balance Analysis 2003 Proposed Budget

Assumptions:

Passenger Fare Annual Growth =	-3.3%	-0.5%	-3.7%	-3.3%	2.2%	2.0%	2.0%
Sales Tax Annual Growth =	4.8%	6.3%	-1.6%	-1.0%	3.0%	3.5%	3.5%
Operating Expenses Growth =	5.3%	3.7%	0.6%	0.9%	4.8%	1.5%	3.0%
Capital Contribution =	15,135,000	16,074,815	15,914,000	15,651,700	17,943,007	19,355,760	19,515,100
	10.0%	10.0%	10.1%	10.0%	11.1%	11.6%	11.3%

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	11,753,987	11,051,834	11,294,115	10,470,867	4,989,287	3,007,429	3,041,007
Revenue							
Passenger Fares	41,790,115	41,588,902	40,061,733	38,737,000	39,589,000	40,380,000	41,190,000
Advertising & Concessions	1,855,374	2,466,421	1,620,907	1,700,000	1,400,000	1,580,000	1,690,000
Sales & Use Tax	151,265,961	160,748,146	158,097,740	156,517,000	161,213,000	166,860,000	172,700,000
Ohio Elderly Fare Assistance	567,579	291,303	896,796	583,000	570,000	570,000	570,000
Access to Jobs Grants	91,508	529,593	1,989,494	1,880,000	2,282,000	2,282,000	2,282,000
Investment Income	905,016	1,063,120	711,620	277,000	245,000	281,000	312,000
Other Revenue	838,316	834,720	1,034,538	1,000,000	1,000,000	1,000,000	1,000,000
Reimbursed Expenditures	12,231,597	15,931,228	21,923,404	19,880,000	30,580,000	30,730,000	30,730,000
Transfer From Insurance Fund	4,250,000	0	0	0	0	0	0
Total Revenue	213,795,466	223,453,433	226,336,232	220,574,000	236,879,000	243,683,000	250,474,000
Total Resources	225,549,453	234,505,267	237,630,347	231,044,867	241,868,287	246,690,429	253,515,007
Operating Expenditures							
Personnel Services	150,565,118	156,422,620	158,124,141	158,273,062	165,717,822	167,416,133	172,463,617
Other Expenditures	48,797,501	50,313,717	49,771,339	51,580,818	54,250,029	55,877,530	57,553,856
Total Operating Expenditures	199,362,619	206,736,337	207,895,480	209,853,880	219,967,851	223,293,662	230,017,472
Transfer to the Insurance Fund	0	400,000	3,350,000	550,000	950,000	1,000,000	925,000
Transfers to Capital							
Bond Retirement Fund	8,756,263	7,950,000	9,550,000	10,170,120	11,237,126	11,529,617	11,835,054
Capital Improvement Funds	5,676,584	8,124,815	5,540,752	0	4,724,023	7,826,143	7,680,046
Subtotal Transfers to Capital	14,432,847	16,074,815	15,090,752	10,170,120	15,961,149	19,355,760	19,515,100
Total Expenditures	213,795,466	223,211,152	226,336,232	220,574,000	236,879,000	243,649,422	250,457,572
Ending Balance	11,753,987	11,294,115	11,294,115	10,470,867	4,989,287	3,041,007	3,057,435
Additional Transfer to Bond Retirement	0	0	0	989,880	0	0	0
Additional Transfer to Capital Improvement	702,153	0	823,248	4,491,700	1,981,858	0	0
Available Ending Balance	11,051,834	11,294,115	10,470,867	4,989,287	3,007,429	3,041,007	3,057,435

ATTACHMENT B

Financial Indicators 2003 Proposed Budget

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
REVENUES							
Operating Ratio	22.5%	22.0%	20.6%	19.6%	19.1%	19.2%	19.1%
Fare Subsidy (Net Cost) Per Passenger	\$2.63	\$2.77	\$2.85	\$3.18	\$3.24	\$3.22	\$3.26
Average Fare	\$0.70	\$0.70	\$0.69	\$0.73	\$0.73	\$0.73	\$0.73
EXPENDITURES							
Operating Reserve (Months)	0.7	0.7	0.6	0.3	0.2	0.2	0.2
Overhead Cost vs. Total Cost	11.9%	12.4%	11.5%	13.0%	12.2%	12.3%	12.3%
Cost/Hour of Service	\$77.85	\$78.27	\$80.26	\$84.01	\$88.95	\$90.31	\$93.08
Growth per Year	2.9%	0.5%	2.5%	4.7%	5.9%	1.5%	3.1%
DEBT STRUCTURES							
Debt Service Coverage	2.21	2.15	2.15	1.35	1.19	1.21	1.20
CAPITAL OUTLAY							
Sales Tax Contribution to Capital	10.0%	10.0%	10.1%	10.0%	11.1%	11.6%	11.3%
Capital Maintenance to Expansion	86.3%	79.2%	84.2%	81.3%	79.0%	50.6%	43.9%

Definitions:

Operating Ratio = Operating Revenue (Fares + Advertising + Interest) / Total Operating Expenditures
 Fare Subsidy (Net Cost) Per Passenger = (Total Operating Expenditures/Ridership) - (Fares/Ridership)
 Operating Reserve = Available Ending Balance / (Total Operating Expenditures/12)
 Overhead Cost vs. Total Cost = Operating Overhead Cost / Total Operating Cost
 Cost/Hour of Service = Total Operating Expenditures / Total Service Hours
 Debt Service Coverage = (Total Operating Revenues - Total Operating Expenditures) / Debt Service
 Contribution to Capital = (Capital Improvements Contribution and Capital Improvement + Bond Retirement Transfers) / Sales & Use Tax Revenue
 Capital Maintenance to Expansion = Capital Maintenance Outlay / Total Capital Outlay

ATTACHMENT C

EMPLOYMENT LEVEL ANALYSIS
AUTHORIZED STAFFING LEVEL BY DIVISION

	2002 Authorized Positions	2003 Authorized Positions	Change 2002-2003
Operations	2,480	2,434	(46)
Finance & Administration	121	110	(11)
Engineering & Project Management	32	30	(2)
Legal Affairs	40	39	(1)
Human Resources	42	41	(1)
Other Departments	70	69	(1)
Union Officials	3	3	0
Total	2,788	2,726	(62)

ATTACHMENT D

2003-2007 CAPITAL IMPROVEMENT PLAN

PROJECT CATEGORY	2003	2004	2005	2006	2007	TOTAL
Rail Projects	34,771,346	24,246,000	16,318,593	20,377,551	29,786,000	125,499,490
Bus Garages	30,550,893	800,000	600,000	1,100,000	10,150,000	43,200,893
Transit Centers	10,938,000	11,320,000	26,086,424	11,166,076	6,790,000	66,300,500
Facilities Improvements	9,028,000	6,438,000	5,737,000	7,531,000	8,230,000	36,964,000
Buses	36,912,403	15,190,000	28,571,440	28,312,070	29,895,460	138,881,373
Equipment, Vehicles, Furniture	4,779,474	16,697,500	1,927,100	2,167,500	1,750,100	27,321,674
Bus Rapid Transit	26,676,935	76,938,592	77,540,553	9,048,263	1,728,042	191,932,385
Other	26,404,500	26,754,500	26,756,500	21,756,500	21,759,500	123,431,500
TOTALS	180,061,551	178,384,592	183,537,610	101,458,960	110,089,102	753,531,815

ATTACHMENT E
RTA Development Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	23,190,813	13,958,867	10,112,468	35,310,401	33,592,200	8,232,869	7,386,766
Revenue							
General Obligation Debt Proceeds	0	0	30,076,381	0	0	0	25,000,000
Revenue Bond Proceeds	0	0	0	0	0	9,000,000	0
State Infrastructure Bank Loan	0	4,439,709	2,460,292	0	0	6,623,888	4,415,926
Transfer from RTA Capital Fund	2,300,000	3,000,000	5,200,000	5,100,000	4,400,000	5,000,000	5,000,000
Investment Income	1,076,664	979,336	387,604	847,000	500,000	286,000	345,000
Federal Capital Grants	27,196,159	31,256,602	42,523,635	74,797,105	91,185,249	76,092,290	79,812,887
State Capital Grants	10,300,506	8,944,439	9,890,942	5,290,896	10,647,880	14,304,625	29,978,903
Other	44,843	3,844,031	1,051,501	15,500,000	8,048,600	8,500,000	5,000,000
Total Revenue	40,918,172	52,464,117	91,590,365	101,535,001	114,781,729	119,806,803	149,552,715
Total Resources	64,108,985	66,422,984	101,702,823	136,845,402	148,373,929	128,039,672	156,939,482
Expenditures							
Capital Outlay	50,150,118	56,226,738	65,881,137	98,306,202	139,641,060	120,366,906	136,880,477
Other	0	4,284	11,285	0	0	0	0
Transfer to Bond Retirement Fund	0	79,494	500,000	847,000	500,000	286,000	345,000
Transfer to Insurance Fund	0	0	0	4,100,000	0	0	0
Total Expenditures	50,150,118	56,310,516	66,392,422	103,253,202	140,141,060	120,652,906	137,225,477
Ending Balance	13,958,867	10,112,468	35,310,401	33,592,200	8,232,869	7,386,766	19,714,004

ATTACHMENT F

RTA Capital Fund Balance Analysis

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
Beginning Balance	6,809,597	7,394,526	8,123,797	6,446,295	2,553,995	1,450,876	902,019
Revenue							
Transfer from General Fund	6,378,737	8,124,815	6,364,000	4,491,700	6,705,881	7,826,143	7,680,046
Investment Income	233,018	178,856	409,802	216,000	91,000	75,000	96,000
Other Income	0	0	7,366	0	0		
Total Revenue	6,611,755	8,303,671	6,781,168	4,707,700	6,796,881	7,901,143	7,776,046
Total Resources	13,421,352	15,698,197	14,904,965	11,153,995	9,350,876	9,352,019	8,678,065
Expenditures							
Routine Capital	2,468,550	3,299,985	2,014,466	2,250,000	2,250,000	2,200,000	2,200,000
Asset Maintenance	1,258,276	1,274,415	1,217,292	1,250,000	1,250,000	1,250,000	1,250,000
Other Expenditures	0	0	26,912	0	0		
Transfer to RTA Development Fund	2,300,000	3,000,000	5,200,000	5,100,000	4,400,000	5,000,000	5,000,000
Total Expenditures	6,026,826	7,574,400	8,458,670	8,600,000	7,900,000	8,450,000	8,450,000
Ending Balance	7,394,526	8,123,797	6,446,295	2,553,995	1,450,876	902,019	228,065

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ATTACHMENT G

Bond Retirement Fund Balance Analysis

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
Beginning Balance	779,459	758,930	115,451	974,344	1,126,387	999,824	996,552
Revenue							
Transfer from General Fund	8,756,263	7,950,000	9,550,000	11,160,000	11,237,126	11,529,617	11,835,054
Transfer from RTA Development Fund	0	79,494	500,000	847,000	500,000	286,000	345,000
Investment Income	179,447	280,791	106,327	94,000	141,000	179,000	215,000
Total Revenue	8,935,710	8,310,285	10,156,327	12,101,000	11,878,126	11,994,617	12,395,054
Total Resources	9,715,169	9,069,215	10,271,778	13,075,344	13,004,513	12,994,441	13,391,606
Expenditures							
Debt Service							
Principal	3,620,000	3,835,000	4,198,101	5,547,788	5,930,718	6,173,574	6,442,196
Interest	5,336,239	5,118,764	5,099,333	6,401,169	6,073,971	5,824,315	5,919,287
Total Expenditures	8,956,239	8,953,764	9,297,434	11,948,957	12,004,689	11,997,889	12,361,483
Ending Balance	758,930	115,451	974,344	1,126,387	999,824	996,552	1,030,123

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ATTACHMENT H

Insurance Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	10,228,659	5,471,928	5,080,421	4,862,150	7,565,375	7,507,375	7,534,375
Revenue							
Investment Income	464,303	315,825	150,479	125,000	152,000	187,000	223,000
Transfer from General Fund	0	400,000	3,350,000	550,000	950,000	1,000,000	925,000
Transfer from RTA Development Fund	0	0	0	4,100,000	0	0	0
Other Income	0	1,418	0	0	0	0	0
Total Revenue	464,303	717,243	3,500,479	4,775,000	1,102,000	1,187,000	1,148,000
Total Resources	10,692,962	6,189,171	8,580,900	9,637,150	8,667,375	8,694,375	8,682,375
Expenditures							
Claims and Premium Outlay	971,034	1,108,750	3,718,750	2,071,775	1,160,000	1,160,000	1,160,000
Transfer to General Fund	4,250,000	0	0	0	0	0	0
Total Expenditures	5,221,034	1,108,750	3,718,750	2,071,775	1,160,000	1,160,000	1,160,000
Ending Balance	5,471,928	5,080,421	4,862,150	7,565,375	7,507,375	7,534,375	7,522,375

ATTACHMENT I

Supplemental Pension Fund Balance Analysis

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
Beginning Balance	1,187,483	1,107,662	1,040,217	960,261	862,261	752,261	648,261
Revenue							
Investment Income	65,528	70,058	63,052	34,000	20,000	21,000	20,000
Total Revenue	65,528	70,058	63,052	34,000	20,000	21,000	20,000
Total Resources	1,253,011	1,177,720	1,103,269	994,261	882,261	773,261	668,261
Expenditures							
Benefit Payments	145,349	137,503	133,770	132,000	130,000	125,000	120,000
Other Expenditures	0	0	9,238	0			
Total Expenditures	145,349	137,503	143,008	132,000	130,000	125,000	120,000
Ending Balance	1,107,662	1,040,217	960,261	862,261	752,261	648,261	548,261

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ATTACHMENT J

Law Enforcement Fund Balance Analysis

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
Beginning Balance	177,504	116,332	140,376	216,533	144,138	158,038	173,438
Revenue							
Law Enforcement Revenue	6,931	17,078	6,481	10,000	10,000	10,000	10,000
Investment Income	8,073	6,966	120,747	3,700	3,900	5,400	7,000
Total Revenue	15,004	24,044	127,228	13,700	13,900	15,400	17,000
Total Resources	192,508	140,376	267,604	230,233	158,038	173,438	190,438
Expenditures							
Law Enforcement Outlay	76,176	0	51,071	86,095	0	0	0
Total Expenditures	76,176	0	51,071	86,095	0	0	0
Ending Balance	116,332	140,376	216,533	144,138	158,038	173,438	190,438

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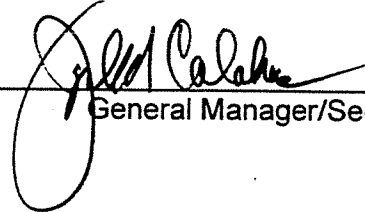


TITLE/DESCRIPTION: A RESOLUTION TO MAKE APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY DURING THE YEAR 2003	Resolution No.: 2002 – 199
	Date: December 11, 2002
	Initiator: OMB
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will authorize an Appropriations Budget for Fiscal Year 2003 for operation of the transit system; for required fund transfers for capital improvements, bond retirement, and to maintain the Insurance Fund minimum balance; for a Capital Budget covering locally-funded and grant-funded projects; and for the Bond Retirement, Insurance and Pension Funds.
- 2.0 **DESCRIPTION/JUSTIFICATION:** Fiscal year 2003 begins January 1, 2003 and ends December 31, 2003. The process for developing the operating and capital budgets for FY 2003 began in July, 2002, and involved extensive staff analysis and preparation, four meetings of the Board's Finance Committee on the 2003 Budget, and two Public Hearings on December 3 and 17, 2002. The budgets and fund transfers proposed for adoption herein represent the Authority's spending plans for operation of the transit system and capital improvements to the transit system in FY 2003.
- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** The Proposed 2003 Budget funds relatively the same overall levels of service as currently operated. This budget reflects a net decrease in staffing of 62 positions, nearly all of which are related to reorganization/re-engineering efforts and service efficiencies. The total operating expenditure growth is 4.8%, which mostly reflects costs related to compensation issues and inflation. The Proposed 2003 Budget meets two of the eight Financial Policy Goals. The operating reserve at the end of 2003 is projected to be .2 of one month's operating expenditures, or \$3.0 million. The Operating Budget revenue assumes no fare increase for bus, rail, or paratransit service, but does include assumptions for fare policy changes.
- The 2003 Capital Budget provides for the upkeep of the Authority's existing infrastructure, facilities and equipment and provides for the implementation of projects included in the Long Range Plan.
- 6.0 **ECONOMIC IMPACT:** The Proposed 2003 General Fund Appropriations Budget and Fund Transfers provide for spending \$238,860,863 on estimated resources of \$241,868,287, leaving a year-end balance of \$3,007,429 as an operating reserve.
- The 2003 Operating Budget includes the cost of wage and fringe benefit increases per the existing contracts for the ATU & FOP members.
- The Proposed 2002 Capital Budget provides for the spending of \$180,061,551 for capital improvements projects and purchases in FY 2003, and for the transfer of \$500,000 to the Bond Retirement Fund.

- 7.0 ALTERNATIVES: Modify the Proposed 2003 Budget by adding or subtracting expenditures or revenues for specific activities, positions or programs.
- 8.0 RECOMMENDATION: The Proposed 2003 Budget has been reviewed by the Finance Committee and is recommended for adoption. It is recommended that the Board approve the FY 2003 General Fund Appropriation Budget and Fund Transfers, as well as the Capital, Insurance, Supplemental Pension and Bond Retirement Budgets as proposed herein.
- 9.0 ATTACHMENTS:
- A General Fund Balance Analysis
 - B Financial Indicators
 - C Division Employment Level Analysis
 - D Capital Improvement Plan
 - E RTA Development Fund Balance Analysis
 - F RTA Capital Fund Balance Analysis
 - G Bond Retirement Fund Balance Analysis
 - H Insurance Fund Balance Analysis
 - I Supplemental Pension Fund Balance Analysis
 - J Law Enforcement Fund Balance Analysis

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



General Manager/Secretary-Treasurer

General Fund Balance Analysis 2003 Proposed Budget

Assumptions:

Passenger Fare Annual Growth =	-3.3%	-0.5%	-3.7%	-3.3%	2.2%	2.0%	2.0%
Sales Tax Annual Growth =	4.8%	6.3%	-1.6%	-1.0%	3.0%	3.5%	3.5%
Operating Expenses Growth =	5.3%	3.7%	0.6%	0.9%	4.8%	1.5%	3.0%
Capital Contribution =	15,135,000	16,074,815	15,914,000	15,651,700	17,943,007	19,355,760	19,515,100
	10.0%	10.0%	10.1%	10.0%	11.1%	11.6%	11.3%

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	11,753,987	11,051,834	11,294,115	10,470,867	4,989,287	3,007,429	3,041,007
Revenue							
Passenger Fares	41,790,115	41,588,902	40,061,733	38,737,000	39,589,000	40,380,000	41,190,000
Advertising & Concessions	1,855,374	2,466,421	1,620,907	1,700,000	1,400,000	1,580,000	1,690,000
Sales & Use Tax	151,265,961	160,748,146	158,097,740	156,517,000	161,213,000	166,860,000	172,700,000
Ohio Elderly Fare Assistance	567,579	291,303	896,796	583,000	570,000	570,000	570,000
Access to Jobs Grants	91,508	529,593	1,989,494	1,880,000	2,282,000	2,282,000	2,282,000
Investment Income	905,016	1,063,120	711,620	277,000	245,000	281,000	312,000
Other Revenue	838,316	834,720	1,034,538	1,000,000	1,000,000	1,000,000	1,000,000
Reimbursed Expenditures	12,231,597	15,931,228	21,923,404	19,880,000	30,580,000	30,730,000	30,730,000
Transfer From Insurance Fund	4,250,000	0	0	0	0	0	0
Total Revenue	213,795,466	223,453,433	226,336,232	220,574,000	236,879,000	243,683,000	250,474,000
Total Resources	225,549,453	234,505,267	237,630,347	231,044,867	241,868,287	246,690,429	253,515,007
Operating Expenditures							
Personnel Services	150,565,118	156,422,620	158,124,141	158,273,062	165,717,822	167,416,133	172,463,617
Other Expenditures	48,797,501	50,313,717	49,771,339	51,580,818	54,250,029	55,877,530	57,553,856
Total Operating Expenditures	199,362,619	206,736,337	207,895,480	209,853,880	219,967,851	223,293,662	230,017,472
Transfer to the Insurance Fund	0	400,000	3,350,000	550,000	950,000	1,000,000	925,000
Transfers to Capital							
Bond Retirement Fund	8,756,263	7,950,000	9,550,000	10,170,120	11,237,126	11,529,617	11,835,054
Capital Improvement Funds	5,676,584	8,124,815	5,540,752	0	4,724,023	7,826,143	7,680,046
SubTotal Transfers to Capital	14,432,847	16,074,815	15,090,752	10,170,120	15,961,149	19,355,760	19,515,100
Total Expenditures	213,795,466	223,211,152	226,336,232	220,574,000	236,879,000	243,649,422	250,457,572
Ending Balance	11,753,987	11,294,115	11,294,115	10,470,867	4,989,287	3,041,007	3,057,435
Additional Transfer to Bond Retirement	0	0	0	989,880	0	0	0
Additional Transfer to Capital Improvement	702,153	0	823,248	4,491,700	1,981,858	0	0
Available Ending Balance	11,051,834	11,294,115	10,470,867	4,989,287	3,007,429	3,041,007	3,057,435

Financial Indicators

2003 Proposed Budget

	1999 Actual	2000 Actual	2001 Actual	2002 Estimate	2003 Budget	2004 Budget	2005 Budget
REVENUES							
Operating Ratio	22.5%	22.0%	20.6%	19.6%	19.1%	19.2%	19.1%
Fare Subsidy (Net Cost) Per Passenger	\$2.63	\$2.77	\$2.85	\$3.18	\$3.24	\$3.22	\$3.26
Average Fare	\$0.70	\$0.70	\$0.69	\$0.73	\$0.73	\$0.73	\$0.73
EXPENDITURES							
Operating Reserve (Months)	0.7	0.7	0.6	0.3	0.2	0.2	0.2
Overhead Cost vs. Total Cost	11.9%	12.4%	11.5%	13.0%	12.2%	12.3%	12.3%
Cost/Hour of Service	\$77.85	\$78.27	\$80.26	\$84.01	\$88.95	\$90.31	\$93.08
Growth per Year	2.9%	0.5%	2.5%	4.7%	5.9%	1.5%	3.1%
DEBT STRUCTURES							
Debt Service Coverage	2.21	2.15	2.15	1.35	1.19	1.21	1.20
CAPITAL OUTLAY							
Sales Tax Contribution to Capital	10.0%	10.0%	10.1%	10.0%	11.1%	11.6%	11.3%
Capital Maintenance to Expansion	86.3%	79.2%	84.2%	81.3%	79.0%	50.6%	43.9%

Definitions:

Operating Ratio = Operating Revenue (Fares + Advertising + Interest) / Total Operating Expenditures
 Fare Subsidy (Net Cost) Per Passenger = (Total Operating Expenditures/Ridership) - (Fares/Ridership)
 Operating Reserve = Available Ending Balance / (Total Operating Expenditures/12)
 Overhead Cost vs. Total Cost = Operating Overhead Cost / Total Operating Cost
 Cost/Hour of Service = Total Operating Expenditures / Total Service Hours
 Debt Service Coverage = (Total Operating Revenues - Total Operating Expenditures) / Debt Service
 Contribution to Capital = (Capital Improvements Contribution and Capital Improvement + Bond Retirement Transfers) / Sales & Use Tax Revenue
 Capital Maintenance to Expansion = Capital Maintenance Outlay / Total Capital Outlay

ATTACHMENT C
EMPLOYMENT LEVEL ANALYSIS
AUTHORIZED STAFFING LEVEL BY DIVISION

	2002 Authorized Positions	2003 Authorized Positions	Change 2002-2003
Operations	2,480	2,434	(46)
Finance & Administration	121	110	(11)
Engineering & Project Management	32	30	(2)
Legal Affairs	40	39	(1)
Human Resources	42	41	(1)
Other Departments	70	69	(1)
Union Officials	3	3	0
Total	2,788	2,726	(62)

ATTACHMENT D

2003-2007 CAPITAL IMPROVEMENT PLAN

PROJECT CATEGORY	2003	2004	2005	2006	2007	TOTAL
Rail Projects	34,771,346	24,246,000	16,318,593	20,377,551	29,786,000	125,499,490
Bus Garages	30,550,893	800,000	600,000	1,100,000	10,150,000	43,200,893
Transit Centers	10,938,000	11,320,000	26,086,424	11,166,076	6,790,000	66,300,500
Facilities Improvements	9,028,000	6,438,000	5,737,000	7,531,000	8,230,000	36,964,000
Buses	36,912,403	15,190,000	28,571,440	28,312,070	29,895,460	138,881,373
Equipment, Vehicles, Furniture	4,779,474	16,697,500	1,927,100	2,167,500	1,750,100	27,321,674
Bus Rapid Transit	26,676,935	76,938,592	77,540,553	9,048,263	1,728,042	191,932,385
Other	26,404,500	26,754,500	26,756,500	21,756,500	21,759,500	123,431,500
TOTALS	180,061,551	178,384,592	183,537,610	101,458,960	110,089,102	753,531,815

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ATTACHMENT E

RTA Development Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	23,190,813	13,958,867	10,112,468	35,310,401	33,592,200	8,232,869	7,386,766
Revenue							
General Obligation Debt Proceeds	0	0	30,076,381	0	0	0	25,000,000
Revenue Bond Proceeds	0	0	0	0	0	9,000,000	0
State Infrastructure Bank Loan	0	4,439,709	2,460,292	0	0	6,623,888	4,415,926
Transfer from RTA Capital Fund	2,300,000	3,000,000	5,200,000	5,100,000	4,400,000	5,000,000	5,000,000
Investment Income	1,076,664	979,336	387,604	847,000	500,000	286,000	345,000
Federal Capital Grants	27,196,159	31,256,602	42,523,635	74,797,105	91,185,249	76,092,290	79,812,887
State Capital Grants	10,300,506	8,944,439	9,890,942	5,290,896	10,647,880	14,304,625	29,978,903
Other	44,843	3,844,031	1,051,501	15,500,000	8,048,600	8,500,000	5,000,000
Total Revenue	40,918,172	52,464,117	91,590,355	101,535,001	114,781,729	119,806,803	149,552,715
Total Resources	64,108,985	66,422,984	101,702,823	136,845,402	148,373,929	128,039,672	156,939,482
Expenditures							
Capital Outlay	50,150,118	56,226,738	65,881,137	98,306,202	139,641,060	120,366,906	136,880,477
Other	0	4,284	11,285	0	0	0	0
Transfer to Bond Retirement Fund	0	79,494	500,000	847,000	500,000	286,000	345,000
Transfer to Insurance Fund	0	0	0	4,100,000	0	0	0
Total Expenditures	50,150,118	56,310,516	66,392,422	103,253,202	140,141,060	120,652,906	137,225,477
Ending Balance	13,958,867	10,112,468	35,310,401	33,592,200	8,232,869	7,386,766	19,714,004

K-13

ATTACHMENT F

RTA Capital Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	6,809,597	7,394,526	8,123,797	6,446,295	2,553,995	1,450,876	902,019
Revenue							
Transfer from General Fund	6,378,737	8,124,815	6,364,000	4,491,700	6,705,881	7,826,143	7,680,046
Investment Income	233,018	178,856	409,802	216,000	91,000	75,000	96,000
Other Income	0	0	7,366	0	0	0	0
Total Revenue	6,611,755	8,303,671	6,781,168	4,707,700	6,796,881	7,901,143	7,776,046
Total Resources	13,421,352	15,698,197	14,904,965	11,153,995	9,350,876	9,352,019	8,678,065
Expenditures							
Routine Capital	2,468,550	3,299,985	2,014,466	2,250,000	2,250,000	2,200,000	2,200,000
Asset Maintenance	1,258,276	1,274,415	1,217,292	1,250,000	1,250,000	1,250,000	1,250,000
Other Expenditures	0	0	26,912	0	0	0	0
Transfer to RTA Development Fund	2,300,000	3,000,000	5,200,000	5,100,000	4,400,000	5,000,000	5,000,000
Total Expenditures	6,026,826	7,574,400	8,458,670	8,600,000	7,900,000	8,450,000	8,450,000
Ending Balance	7,394,526	8,123,797	6,446,295	2,553,995	1,450,876	902,019	228,065

K-14

ATTACHMENT G

Bond Retirement Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	779,459	758,930	115,451	974,344	1,126,387	999,824	996,552
Revenue							
Transfer from General Fund	8,756,263	7,950,000	9,550,000	11,160,000	11,237,126	11,529,617	11,835,054
Transfer from RTA Development Fund	0	79,494	500,000	847,000	500,000	286,000	345,000
Investment Income	179,447	280,791	106,327	94,000	141,000	179,000	215,000
Total Revenue	8,935,710	8,310,285	10,156,327	12,101,000	11,878,126	11,994,617	12,395,054
Total Resources	9,715,169	9,069,215	10,271,778	13,075,344	13,004,513	12,994,441	13,391,606
Expenditures							
Debt Service							
Principal	3,620,000	3,835,000	4,198,101	5,547,788	5,930,718	6,173,574	6,442,196
Interest	5,336,239	5,118,764	5,099,333	6,401,169	6,073,971	5,824,315	5,919,287
Total Expenditures	8,956,239	8,953,764	9,297,434	11,948,957	12,004,689	11,997,889	12,361,483
Ending Balance	758,930	115,451	974,344	1,126,387	999,824	996,552	1,030,123

K-15

ATTACHMENT H

Insurance Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	10,228,659	5,471,928	5,080,421	4,862,150	7,565,375	7,507,375	7,534,375
Revenue							
Investment Income	464,303	315,825	150,479	125,000	152,000	187,000	223,000
Transfer from General Fund	0	400,000	3,350,000	550,000	950,000	1,000,000	925,000
Transfer from RTA Development Fund	0	0	0	4,100,000	0	0	0
Other Income	0	1,418	0	0	0	0	0
Total Revenue	464,303	717,243	3,500,479	4,775,000	1,102,000	1,187,000	1,148,000
Total Resources	10,692,962	6,189,171	8,580,900	9,637,150	8,667,375	8,694,375	8,682,375
Expenditures							
Claims and Premium Outlay	971,034	1,108,750	3,718,750	2,071,775	1,160,000	1,160,000	1,160,000
Transfer to General Fund	4,250,000	0	0	0	0	0	0
Total Expenditures	5,221,034	1,108,750	3,718,750	2,071,775	1,160,000	1,160,000	1,160,000
Ending Balance	5,471,928	5,080,421	4,862,150	7,565,375	7,507,375	7,534,375	7,522,375

K-1

ATTACHMENT I

Supplemental Pension Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	1,187,483	1,107,662	1,040,217	960,261	862,261	752,261	648,261
Revenue							
Investment Income	65,528	70,058	63,052	34,000	20,000	21,000	20,000
Total Revenue	65,528	70,058	63,052	34,000	20,000	21,000	20,000
Total Resources	1,253,011	1,177,720	1,103,269	994,261	882,261	773,261	668,261
Expenditures							
Benefit Payments	145,349	137,503	133,770	132,000	130,000	125,000	120,000
Other Expenditures	0	0	9,238	0			
Total Expenditures	145,349	137,503	143,008	132,000	130,000	125,000	120,000
Ending Balance	1,107,662	1,040,217	960,261	862,261	752,261	648,261	548,261

K-17

ATTACHMENT J

Law Enforcement Fund Balance Analysis

	1999	2000	2001	2002	2003	2004	2005
	Actual	Actual	Actual	Estimate	Budget	Budget	Budget
Beginning Balance	177,504	116,332	140,376	216,533	144,138	158,038	173,438
Revenue							
Law Enforcement Revenue	6,931	17,078	6,481	10,000	10,000	10,000	10,000
Investment Income	8,073	6,966	120,747	3,700	3,900	5,400	7,000
Total Revenue	15,004	24,044	127,228	13,700	13,900	15,400	17,000
Total Resources	192,508	140,376	267,604	230,233	158,038	173,438	190,438
Expenditures							
Law Enforcement Outlay	76,176	0	51,071	86,095	0	0	0
Total Expenditures	76,176	0	51,071	86,095	0	0	0
Ending Balance	116,332	140,376	216,533	144,138	158,038	173,438	190,438

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