

RESOLUTION NO. 2015-74

ADOPTING THE TAX BUDGET OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2016 AND SUBMITTING THE SAME TO THE CUYAHOGA COUNTY FISCAL OFFICER

WHEREAS, a Tax Budget for the Greater Cleveland Regional Transit Authority for the fiscal year beginning January 1, 2016, for the purpose of said Authority during such year and of revenues to be received for such fiscal year, including all taxes, user fees, and other types of revenues, also estimates of all expenditures or outlays in or for the purposes of such fiscal year to be paid or met from the said revenue, and otherwise conforming with the requirements of law, has been prepared; and

WHEREAS, said Tax Budget has been made conveniently available for public inspection for at least ten (10) days by having at least two (2) copies thereof on file in the Office of Management and Budget of this Authority; and

WHEREAS, the Board of Trustees has held a public hearing on July 7, 2015 on said budget, of which public notice was given by publication in the Plain Dealer on June 23, 2015.

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

Section 1. That the Tax Budget of the Greater Cleveland Regional Transit Authority for the fiscal year beginning January 1, 2016, heretofore prepared and submitted to this Board of Trustees, copies of which have been and are on file in the Office of Management and Budget, with any 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, 2016.

Section 2. That the Executive Director of the Office of Management and Budget 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 Cuyahoga County Fiscal Officer.

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


Attachments: 2016 Tax Budget Assumptions and Fund Statements.

Adopted: July 28, 2015



President

Attest:



CEO, General Manager/Secretary-Treasurer

ATTACHMENT A

General Fund Balance Analysis

Assumptions:

Passenger Fare Annual Growth =	2.5%	-1.1%	0.8%	3.5%	-1.7%	0.7%	1.2%
Sales Tax Annual Growth =	4.6%	4.6%	3.9%	4.7%	2.5%	2.5%	2.5%
Personnel & Fringe Cost Growth =	5.7%	3.2%	7.2%	0.5%	3.0%	2.1%	2.1%
Non-Personnel Cost Growth =	3.1%	8.3%	7.9%	-1.4%	6.2%	0.5%	-0.3%
Operating Expenses Growth =	5.0%	4.6%	7.4%	0.0%	3.9%	1.6%	1.4%
Capital Contribution =	31,023,886	34,094,435	36,355,659	37,966,541	39,084,903	34,468,950	35,175,130
	17.1%	18.0%	18.4%	18.4%	18.5%	15.9%	15.8%

	2012 Actual	2013 Actual	2014 Actual	2015 Estimate	2016 Tax Budget	2017 Plan	2018 Plan
Beginning Balance	36,822,635	40,713,947	38,394,321	26,870,715	25,076,923	11,027,788	3,574,535
Revenue							
Passenger Fares	49,237,857	48,699,580	49,085,267	50,784,078	49,905,823	50,270,381	50,873,626
Advertising & Concessions	1,375,671	1,400,191	1,488,870	1,220,000	1,220,000	1,200,000	1,200,000
Sales & Use Tax	181,219,251	189,630,645	197,118,776	206,339,895	211,498,392	216,785,852	222,205,498
CMAQ Reimbursement - Healthline	2,128,337	0	0	0	0	0	0
Operating Assistance - Paratransit Operations	3,125,000	3,889,000	4,057,815	3,125,000	0	0	0
Paratransit Management	0	0	0	0	0	0	0
CMAQ Reimbursement - Trolley	0	1,104,680	704,063	934,596	0	0	0
Access to Jobs Program	1,712,976	2,927,754	2,470,656	1,098,518	0	0	0
Investment Income	201,267	200,188	169,211	190,000	200,000	190,000	170,000
Other Revenue	971,146	1,177,962	1,470,683	1,100,000	1,100,000	1,100,000	1,100,000
Reimbursed Expenditures	16,955,634	15,217,046	17,324,469	21,000,000	21,000,000	21,500,000	21,500,000
Total Revenue	256,927,139	264,247,046	273,889,810	285,792,087	284,924,215	291,046,233	297,049,124
Total Resources	293,749,774	304,960,993	312,284,131	312,662,802	310,001,138	302,074,021	300,623,659
Operating Expenditures							
Personnel Services	163,776,230	169,098,188	181,305,658	182,186,028	187,667,912	191,554,671	195,562,647
Diesel Fuel	10,687,417	13,956,183	14,335,896	11,676,995	9,642,660	7,990,362	7,990,362
Natural Gas	0	1,388,300	957,626	1,406,109	1,798,000	2,291,000	2,510,000
Other Expenditures	46,448,294	46,529,565	51,458,576	52,750,207	58,479,875	59,994,503	59,543,881
Total Operating Expenditures	220,911,941	230,972,236	248,057,756	248,019,339	257,588,447	261,830,536	265,606,890
Transfer to the Insurance Fund	1,000,000	1,400,000	900,000	1,500,000	2,200,000	2,100,000	2,100,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital							
Bond Retirement Fund	19,386,891	18,324,392	20,480,914	22,273,402	22,677,706	17,913,859	18,612,000
Capital Improvement Fund	11,636,995	15,770,044	15,874,745	15,693,139	16,407,197	16,555,091	16,563,130
Total Transfers to Capital	31,023,886	34,094,435	36,355,659	37,966,541	39,084,903	34,468,950	35,175,130
Total Expenditures	253,035,827	266,566,672	285,413,415	287,585,880	298,973,350	298,499,486	302,982,020
Ending Balance	40,713,947	38,394,321	26,870,715	25,076,923	11,027,788	3,574,535	-2,358,362
Brookpark Lightning Strike Reserve Funds	1,100,000	0	0	0	0	0	0
Rolling Stock Reserve Funds	7,000,000	0	0	0	0	0	0
Reserved Funds	6,840,000	6,900,000	6,900,000	0	0	0	0
Available Ending Balance	25,773,947	31,494,321	19,970,715	25,076,922	11,027,787	3,574,534	-2,358,363

ATTACHMENT C

RTA Development Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	25,947,255	44,440,121	38,924,890	23,964,435	32,127,598	14,702,011	26,499,924
Revenue							
Debt Service	25,000,000	0	0	30,000,000	0	25,000,000	0
Transfer from RTA Capital Fund	9,620,255	13,470,255	11,734,255	11,649,255	11,849,255	12,284,255	12,134,255
Investment Income	115,389	95,725	54,038	53,000	53,000	54,000	54,000
Federal Capital Grants	33,570,510	59,795,463	58,252,626	69,326,250	66,787,500	62,825,000	61,250,000
State Capital Grants	1,135,673	264,693	2,046,063	1,384,658	1,384,658	1,384,658	1,384,658
Other Revenue	3,424,859	0	0	0	0	0	0
Total Revenue	72,866,686	73,626,136	72,086,982	112,413,163	80,074,413	101,547,913	74,822,913
Total Resources	98,813,941	118,066,257	111,011,872	136,377,598	112,202,011	116,249,924	101,322,837
Expenditures							
Capital Outlay	54,373,820	79,141,367	87,047,437	104,250,000	97,500,000	89,750,000	87,500,000
Other Expenditures	0	0	0	0	0	0	0
Total Expenditures	54,373,820	79,141,367	87,047,437	104,250,000	97,500,000	89,750,000	87,500,000
Ending Balance	44,440,121	38,924,890	23,964,435	32,127,598	14,702,011	26,499,924	13,822,837

ATTACHMENT D

RTA Capital Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	2,096,600	2,286,108	1,731,677	1,523,036	1,480,120	1,647,562	1,625,648
Revenue							
Transfer from General Fund	11,636,995	15,770,044	15,874,745	15,693,139	16,407,197	16,555,091	16,563,130
Investment Income	-7	5,200	13,200	13,200	9,500	7,250	7,500
Other Revenue	0	0	72,916	0	0	0	0
Total Revenue	11,636,988	15,775,244	15,960,861	15,706,339	16,416,697	16,562,341	16,570,630
Total Resources	13,733,588	18,061,352	17,692,538	17,229,375	17,896,817	18,209,903	18,196,279
Expenditures							
Asset Maintenance	873,929	1,083,402	1,627,995	1,550,000	1,950,000	1,800,000	1,850,000
Routine Capital	953,296	1,776,018	2,807,251	2,550,000	2,450,000	2,500,000	2,500,000
Transfer to RTA Development Fund	9,620,255	13,470,255	11,734,255	11,649,255	11,849,255	12,284,255	12,134,255
Total Expenditures	11,447,480	16,329,675	16,169,501	15,749,255	16,249,255	16,584,255	16,484,255
Ending Balance	2,286,108	1,731,677	1,523,036	1,480,120	1,647,562	1,625,648	1,712,024

ATTACHMENT E
Bond Retirement Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	1,702,726	4,119,818	1,710,131	1,775,684	1,930,430	1,596,621	1,673,530
Revenue							
Transfer from General Fund	19,386,891	18,324,392	20,480,914	22,273,402	22,677,706	17,913,859	18,612,000
Investment Income	23,086	12,502	263	2,500	2,500	2,500	2,500
Bond Premium Proceeds	3,779,561	0	0	0	0	0	0
Other Revenue	10	27	-445,748	0	0	0	0
Total Revenue	23,189,548	18,336,921	20,035,429	22,275,902	22,680,206	17,916,359	18,614,500
Reconciling Journal Entry	0	0	37,349	0	0	0	0
Total Resources	24,892,274	22,456,739	21,782,909	24,051,586	24,610,636	19,512,980	20,288,030
Expenditures							
Debt Service							
Principal	13,990,000	13,895,000	14,475,000	16,320,000	16,975,000	12,024,772	12,808,126
Interest	6,776,675	6,851,608	5,532,225	5,799,656	6,037,515	5,813,178	5,952,731
Other Expenditures	5,781	0	0	1,500	1,500	1,500	1,500
Total Expenditures	20,772,456	20,746,608	20,007,225	22,121,156	23,014,015	17,839,450	18,762,357
Ending Balance	4,119,818	1,710,131	1,775,684	1,930,430	1,596,621	1,673,530	1,525,673

ATTACHMENT F

Insurance Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	6,883,060	6,678,594	6,384,153	6,162,818	5,225,818	5,290,818	5,185,818
Revenue							
Investment Income	34,928	39,881	28,978	45,000	45,000	45,000	45,000
Transfer from General Fund	1,000,000	1,400,000	900,000	1,500,000	2,200,000	2,100,000	2,100,000
Total Revenue	1,034,928	1,439,881	928,978	1,545,000	2,245,000	2,145,000	2,145,000
Total Resources	7,917,988	8,118,475	7,313,131	7,707,818	7,470,818	7,435,818	7,330,818
Expenditures							
Claims and Premium Outlay	1,231,929	1,734,322	1,150,313	2,482,000	2,180,000	2,250,000	2,275,000
Other Expenditures	7,465	0	0	0	0	0	0
Total Expenditures	1,239,394	1,734,322	1,150,313	2,482,000	2,180,000	2,250,000	2,275,000
Ending Balance	6,678,594	6,384,153	6,162,818	5,225,818	5,290,818	5,185,818	5,055,818

ATTACHMENT G

Supplemental Pension Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	1,161,820	1,195,091	1,228,490	1,227,680	1,263,680	1,299,680	1,337,430
Revenue							
Investment Income	6,183	7,752	3,859	6,500	6,500	6,750	6,750
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	106,183	107,752	103,859	106,500	106,500	106,750	106,750
Total Resources	1,268,003	1,302,843	1,332,349	1,334,180	1,370,180	1,406,430	1,444,180
Expenditures							
Benefit Payments	72,912	74,353	74,676	70,500	70,500	69,000	67,500
Other Expenditures	0	0	0	0	0	0	0
Total Expenditures	72,912	74,353	74,676	70,500	70,500	69,000	67,500
Reconciling Journal Entry	0	0	29,993	0	0	0	0
Ending Balance	1,195,091	1,228,490	1,227,680	1,263,680	1,299,680	1,337,430	1,376,680

ATTACHMENT H

Law Enforcement Fund Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	298,091	184,341	406,607	296,276	89,401	94,526	99,651
Revenue							
Investment Income	86	44	60	125	125	125	125
Other Revenue	56,000	292,445	81,395	55,000	55,000	55,000	55,000
Total Revenue	56,086	292,489	81,455	55,125	55,125	55,125	55,125
Total Resources	354,177	476,830	488,062	351,401	144,526	149,651	154,776
Expenditures							
Capital & Related Items	129,986	70,223	191,786	262,000	50,000	50,000	50,000
Total Expenditures	129,986	70,223	191,786	262,000	50,000	50,000	50,000
Reconciling Journal Entry	39,850	0	0	0	0	0	0
Ending Balance	184,341	406,607	296,276	89,401	94,526	99,651	104,776

ATTACHMENT I

All Funds Balance Analysis

	2012	2013	2014	2015	2016	2017	2018
	Actual	Actual	Actual	Estimate	Tax Budget	Plan	Plan
Beginning Balance	74,912,187	99,618,020	88,780,268	61,820,645	67,193,970	35,659,007	39,996,537
Revenue							
Passenger Fares	49,237,857	48,699,580	49,085,267	50,784,078	49,905,823	50,270,381	50,873,626
Sales & Use Tax	181,219,251	189,630,645	197,118,776	206,339,895	211,498,392	216,785,862	222,205,498
Federal	33,570,510	59,795,463	58,252,626	69,326,250	66,787,500	62,825,000	61,250,000
State	6,389,010	4,153,693	6,103,878	4,509,658	1,384,658	1,384,658	1,384,658
Investment Income	380,932	361,292	269,609	310,325	316,625	305,625	285,875
Other Revenue	28,275,857	22,120,105	23,204,653	25,408,114	23,375,000	23,855,000	23,855,000
General Obligation Debt Proceeds	25,000,000	0	0	30,000,000	0	25,000,000	0
Total Revenue	324,073,417	324,760,778	334,034,809	386,678,320	353,267,998	380,426,516	359,854,657
Total Resources	398,985,604	424,378,798	422,815,078	448,498,965	420,461,969	416,085,523	399,851,194
Expenditures							
Personnel Services	163,776,230	169,098,188	181,305,658	182,186,028	187,667,912	191,554,671	195,562,647
Diesel Fuel	10,687,417	13,956,183	14,335,896	11,676,995	9,642,660	7,990,362	7,990,362
Natural Gas	0	1,388,300	957,626	1,406,109	1,798,000	2,291,000	2,510,000
Other Expenditures	47,936,217	48,408,463	52,905,344	55,566,207	60,781,875	62,365,003	61,937,881
Capital Outlay	56,201,045	82,000,787	91,482,683	108,350,000	101,900,000	94,050,000	91,850,000
Debt Service	20,766,675	20,746,608	20,007,225	22,119,656	23,012,515	17,837,950	18,760,857
Total Expenditures	299,367,584	335,598,529	360,994,432	381,304,995	384,802,962	376,088,986	378,611,747
Available Ending Balance	99,618,020	88,780,268	61,820,645	67,193,970	35,659,007	39,996,537	21,239,447

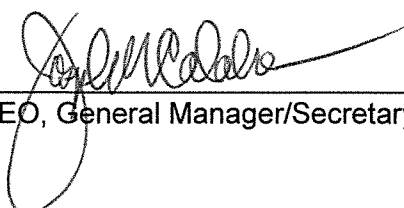


Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: ADOPTING GCRTA TAX BUDGET FOR THE 2016 FISCAL YEAR	Resolution No.: 2015- 74
	Date: July 23, 2015
	Initiator: Office of Management & Budget
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 allow the Authority to adopt the Tax Budget of the GCRTA for the fiscal year beginning January 1, 2016 and submit the same to the Cuyahoga County Fiscal Officer.
- 2.0 DESCRIPTION/JUSTIFICATION: This action is taken as a matter of recommended policy for reasons cited below in part 8.0.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: Although the GCRTA is not legally required to prepare a Tax Budget, it is done as a measure of sound fiscal policy. To not adopt the Tax Budget would demonstrate a lower level of financial responsibility.
- 6.0 ECONOMIC IMPACT: This establishes the estimates of revenue for the year and defines in very broad terms the limits of expenditures anticipated.
- 7.0 ALTERNATIVES: Do not adopt and file the 2016 Tax Budget as chosen by the Finance Committee.
- 8.0 RECOMMENDATION: This budget was reviewed by the Finance Committee on July 7, 2015 and recommended for approval by the Board of Trustees. It is recommended that the 2016 Tax Budget be adopted and filed for several reasons. The report demonstrates timely budgeting and appropriation procedures. It is an element of financial stability that may bolster the Authority's credit rating. It also fosters communication and is a good preliminary budget exercise.
- 9.0 ATTACHMENTS: None.

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



CEO, General Manager/Secretary-Treasurer