

RESOLUTION NO. 2018-117

AMENDING BUDGET APPROPRIATIONS FOR THE CAPITAL IMPROVEMENT FUNDS TO PROVIDE FOR AN INCREASE OF \$4,169,683 TO THE FISCAL YEAR 2019 CAPITAL BUDGET

WHEREAS, there is both a legal and a managerial requirement to establish the revenues to be received for the upcoming fiscal year, including all taxes, user fees, and other types of revenues, as well as estimates of all expenditures or outlays for the capital programs of this public transportation system to be paid or met from said revenue during each fiscal year; and

WHEREAS, in order to meet those requirements, a Capital Budget for the Greater Cleveland Regional Transit Authority ("Authority") for Fiscal Year ("FY") 2019, beginning January 1, 2019 and ending December 31, 2019, was prepared and adopted by the Board of Trustees on May 15, 2018 through Resolution No. 2018-47; and

WHEREAS, the Authority will receive additional grant funds that were not included in the original FY 2019 Capital Improvement Plan. These funds will enable the Authority to combine two rail track projects for reconstruction of the Red Line track from the West Park Station to the Airport Tunnel; and

WHEREAS, additional budget appropriation is required in FY 2019 to pay for a printing press, which was previously reviewed and adopted by the Board of Trustees through Resolution No. 2018-089; and

WHEREAS, increasing the appropriations for the Capital Improvement Funds by \$4,169,683 will establish a sufficient balance in the FY 2019 Capital Budget to align with the funding to be advanced and awarded in FY 2019 through competitive grants.

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

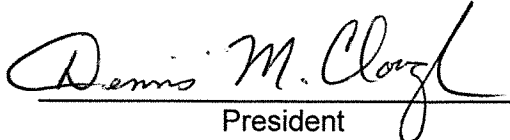
Section 1. That the appropriation budget set forth in Resolution No. 2018-47, adopted May 15, 2018, be and is hereby amended as follows:


FY 2019 CAPITAL BUDGET APPROPRIATION	
<u>Current 2019 Appropriation</u>	<u>Amended 2019 Appropriation</u>
\$63,902,328	\$68,072,011

Section 2. That Resolution No. 2018-47 shall remain unchanged in all other respects.

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

Adopted: December 18, 2018


President

Attest: 
Interim CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AMENDING BUDGET APPROPRIATIONS FOR THE CAPITAL IMPROVEMENT FUNDS TO PROVIDE FOR AN INCREASE OF \$4,169,683 TO THE FISCAL YEAR 2019 CAPITAL BUDGET	Resolution No.: 2018-117
	Date: December 13, 2018
	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 authorize an increase in the Fiscal Year ("FY") 2019 Capital Budget appropriation by \$4,169,683.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The proposed amendment to the FY 2019 Capital Budget appropriation will increase the overall appropriation by \$4,169,683 in order to establish the proper budget authority to cover the reconstruction of the Red Line track from West Park Station to the Airport Tunnel and to pay for a printing press, previously approved by the Board of Trustees through Resolution 2018-89.
- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** The FY 2019 Capital Improvement Budget provides for the upkeep of the Authority's existing infrastructure, facilities, equipment, vehicle replacement programs, and also provides for the implementation of projects included in the Long-Range Plan. This increase in the FY 2019 Capital Budget by \$4,169,683 will enable the Authority to combine two rail track projects for reconstruction of the Red Line track from the West Park Station to the Airport Tunnel and to pay for a printing press. The Red Line track projects were originally budgeted in separate years, however, the Ohio Transit Preservation Partnership Program ("OTPPP") funding will enable both track projects to be started earlier than originally budgeted.
- 6.0 **ECONOMIC IMPACT:** These revisions will increase the total Capital Budget appropriation established in Resolution No. 2018-47 by \$4,169,683. The Ohio Transit Preservation Partnership Program ("OTPPP") awarded GCRTA additional funding for the Red Line Track Replacement Program, which was not included in the original FY 2019 Capital Budget approved at the May 15th Board of Trustees meeting. The payment for the printing press and reconstruction of the Red Line track will be funded from available local funds and OTPPP grant funds.
- 7.0 **ALTERNATIVES:** Not approve the budget revisions as proposed. This would leave insufficient funding in the Capital Budget and delay work for the proposed projects into future years.
- 8.0 **RECOMMENDATION:** The proposed amendment to the FY 2019 Capital Improvement Budget appropriation was reviewed by the Board's Operational Planning & Infrastructure Committee on December 4, 2018. It is recommended that the Board adopt the amended FY 2019 Capital Budget appropriation as proposed.

9.0 ATTACHMENTS:

- A. 2019 – 2023 Proposed Amended Combined Capital Improvement Plan
- B. 2019 – 2023 Amended RTA Development Fund Capital Improvement Plan
- C. 2019 – 2023 Proposed Amended RTA Capital Fund Capital Improvement Plan
- D. Capital Improvement Fund Balance Analysis – Proposed FY 2019 Budget
- E. Development Fund Balance Analysis - Proposed FY 2019 Budget
- F. Capital Fund Balance Analysis - Proposed FY 2019 Budget

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



Interim CEO, General Manager/Secretary-Treasurer

ATTACHMENT A

2019 - 2023 PROPOSED AMENDED COMBINED CAPITAL IMPROVEMENT PLAN						
Combined Budget Authority						
PROJECT CATEGORY	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2019-2023
Bus Garages	\$3,335,938	\$0	\$0	\$0	\$0	\$3,335,938
Bus Improvement Program	\$14,039,810	\$18,220,836	\$18,151,331	\$18,266,327	\$17,388,016	\$86,066,320
Equipment & Vehicles	\$1,925,183	\$1,397,800	\$1,708,000	\$1,566,500	\$1,511,500	\$8,108,983
Facilities Improvements	\$4,926,861	\$14,786,855	\$12,169,206	\$14,924,287	\$13,003,002	\$59,810,211
Other Projects	\$2,637,500	\$2,637,500	\$2,637,500	\$2,637,500	\$2,637,500	\$13,187,500
Preventive Maint./Oper. Reimb.	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$100,000,000
Rail Projects	\$20,906,719	\$21,203,245	\$21,182,081	\$19,125,000	\$16,537,285	\$98,954,330
Transit Centers	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
TOTALS	\$68,072,011	\$78,546,236	\$76,148,118	\$76,819,614	\$71,377,303	\$370,963,282

ATTACHMENT B

**2019 - 2023 AMENDED RTA DEVELOPMENT FUND CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND BUDGET AUTHORITY**

PROJECT CATEGORY	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2019-2023
Bus Garages	\$3,335,938	\$0	\$0	\$0	\$0	\$3,335,938
Bus Improvement Program	\$14,039,810	\$18,220,836	\$18,151,331	\$18,266,327	\$17,388,016	\$86,066,320
Equipment & Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Improvements	\$3,521,861	\$13,276,855	\$10,274,206	\$12,981,287	\$11,119,002	\$51,173,211
Other Projects	\$2,637,500	\$2,637,500	\$2,637,500	\$2,637,500	\$2,637,500	\$13,187,500
Preventive Maint./Oper. Reimb.	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$100,000,000
Rail Projects	\$20,906,719	\$21,203,245	\$21,182,081	\$19,125,000	\$16,537,285	\$98,954,330
Transit Centers	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
TOTALS	\$64,741,828	\$75,638,436	\$72,545,118	\$73,310,114	\$67,981,803	\$354,217,299

ATTACHMENT C

2019 - 2023 PROPOSED AMENDED RTA CAPITAL FUND CAPITAL IMPROVEMENT PLAN RTA CAPITAL FUND BUDGET AUTHORITY						
PROJECT CATEGORY	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2019-2023
Bus Garages	\$0	\$0	\$0	\$0	\$0	\$0
Bus Improvement Program	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Vehicles	\$1,925,183	\$1,397,800	\$1,708,000	\$1,566,500	\$1,511,500	\$8,108,983
Facilities Improvements	\$1,405,000	\$1,510,000	\$1,895,000	\$1,943,000	\$1,884,000	\$8,637,000
Other Projects	\$0	\$0	\$0	\$0	\$0	\$0
Preventive Maint./Oper. Reimb.	\$0	\$0	\$0	\$0	\$0	\$0
Rail Projects	\$0	\$0	\$0	\$0	\$0	\$0
Transit Centers	\$0	\$0	\$0	\$0	\$0	\$0
TOTALS	\$3,330,183	\$2,907,800	\$3,603,000	\$3,509,500	\$3,395,500	\$16,745,983

ATTACHMENT D

Capital Improvement Fund Balance Analysis

	2016 Actual	2017 Actual	2018 Estimate	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
Beginning Balance	44,613,977	33,111,619	21,435,743	23,489,701	41,631,717	39,357,265	26,322,706	21,624,838
Revenue								
Transfer from General Fund	9,472,060	10,271,331	15,259,919	11,887,181	13,646,258	12,922,138	17,053,177	14,001,499
Transfer from General Fund	0	0	2,000,000	0	0	0	0	0
Investment Income	286,670	326,189	625,029	860,000	565,000	765,000	565,000	765,000
Federal Capital Grants	47,732,909	48,455,538	55,274,589	42,082,188	74,117,067	64,426,827	52,937,977	50,280,376
State Capital Grants	110,699	0	3,054,730	1,384,658	1,384,658	1,384,658	1,384,658	1,384,658
Debt Service Proceeds	0	0	0	30,000,000	25,000,000	0	0	25,000,000
Capital Lease	0	0	0	0	0	0	0	0
Other Revenue	0	329,920	1,855	0	0	0	0	0
Total Revenue	57,602,338	59,382,978	76,216,122	86,214,027	114,712,983	79,498,624	71,940,811	91,431,533
Total Resources	102,216,315	92,494,597	97,651,864	109,703,728	156,344,700	118,855,889	98,263,518	113,056,370
Expenditures								
Capital Outlay	69,104,696	71,058,854	74,162,163	68,072,011	116,987,435	92,533,183	76,638,680	72,689,836
Other Expenditures	0	0	0	0	0	0	0	0
Transfer to Bond Retirement Fund	0	0	0	0	0	0	0	0
Transfer to Insurance Fund	0	0	0	0	0	0	0	0
Total Expenditures	69,104,696	71,058,854	74,162,163	68,072,011	116,987,435	92,533,183	76,638,680	72,689,836
Available Ending Balance	33,111,619	21,435,743	23,489,701	41,631,717	39,357,265	26,322,706	21,624,838	40,366,534

ATTACHMENT E

RTA Development Fund Balance Analysis

	2016	2017	2018	2019	2020	2021	2022	2023
	Actual	Actual	Estimate	Budget	Plan	Plan	Plan	Plan
Beginning Balance	42,499,967	30,037,486	20,136,261	20,032,763	38,542,036	38,201,759	25,140,049	19,807,810
Revenue								
Debt Service Proceeds	0	0	0	30,000,000	25,000,000	0	0	25,000,000
Revenue Bond Proceeds	0	0	0	0	0	0	0	0
State Infrastructure Bank Loan	0	0	0	0	0	0	0	0
Transfer from RTA Capital Fund	5,334,255	6,844,255	9,434,255	8,984,255	12,684,255	10,534,255	13,884,255	12,184,255
Transfer from the Reserve Fund	0	0	2,000,000	0	0	0	0	0
Investment Income	260,886	284,557	582,256	800,000	500,000	700,000	500,000	700,000
Federal Capital Grants	47,732,909	48,455,538	55,274,589	42,082,188	74,117,067	64,426,827	52,937,977	50,280,376
State Capital Grants	110,699	0	3,054,730	1,384,658	1,384,658	1,384,658	1,384,658	1,384,658
State Funds for Waterfront Line	0	0	0	0	0	0	0	0
Access to Jobs Grants	0	0	0	0	0	0	0	0
Capital Lease	0	0	0	0	0	0	0	0
Other Revenue	0	329,920	0	0	0	0	0	0
Total Revenue	53,438,749	55,914,270	70,345,830	83,251,101	113,685,980	77,045,740	68,706,890	89,549,289
Total Resources	95,938,716	85,951,756	90,482,091	103,283,864	152,228,016	115,247,500	93,846,938	109,357,099
Expenditures								
Capital Outlay	65,901,230	65,815,495	70,449,328	64,741,828	114,026,257	90,107,451	74,039,128	70,322,204
ODOT Reimbursement	0	0	0	0	0	0	0	0
Other Expenditures	0	0	0	0	0	0	0	0
Transfer to Bond Retirement Fund	0	0	0	0	0	0	0	0
Transfer to Insurance Fund	0	0	0	0	0	0	0	0
Total Expenditures	65,901,230	65,815,495	70,449,328	64,741,828	114,026,257	90,107,451	74,039,128	70,322,204
Ending Balance	30,037,486	20,136,261	20,032,763	38,542,036	38,201,759	25,140,049	19,807,810	39,034,895

ATTACHMENT F

RTA Capital Fund Balance Analysis

	2016 Actual	2017 Actual	2018 Estimate	2019 Budget	2020 Plan	2021 Plan	2022 Plan	2023 Plan
Beginning Balance	2,114,010	3,074,133	1,299,482	3,456,938	3,089,681	1,155,506	1,182,658	1,817,027
Revenue								
Transfer from General Fund	9,472,060	10,271,331	15,259,919	11,887,181	13,646,258	12,922,138	17,053,177	14,001,499
Investment Income	25,784	41,632	42,773	60,000	65,000	65,000	65,000	65,000
Other Revenue	0	0	1,855	0	0	0	0	0
Total Revenue	9,497,844	10,312,963	15,304,547	11,947,181	13,711,258	12,987,138	17,118,177	14,066,499
Total Resources	11,611,854	13,387,096	16,604,028	15,404,119	16,800,939	14,142,645	18,300,834	15,883,526
Expenditures								
Asset Maintenance	1,020,521	2,322,492	1,757,952	1,405,000	1,680,672	1,386,224	1,399,664	1,383,144
Routine Capital	2,182,945	2,920,867	1,954,883	1,925,183	1,280,506	1,039,508	1,199,888	984,488
Other Expenditures	0	0	0	0	0	0	0	0
Transfer to RTA Development Fund	5,334,255	6,844,255	9,434,255	8,984,255	12,684,255	10,534,255	13,884,255	12,184,255
Reimbursement to FTA	0	0	0	0	0	0	0	0
Total Expenditures	8,537,721	12,087,614	13,147,090	12,314,438	15,645,433	12,959,987	16,483,807	14,551,887
Ending Balance	3,074,133	1,299,482	3,456,938	3,089,681	1,155,506	1,182,658	1,817,027	1,331,639