

RESOLUTION NO. 2021-19

AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NO. 2020-101 AND TO PROVIDE FOR A \$15,000,000 TRANSFER TO THE DEVELOPMENT FUND AND INCREASING APPROPRIATION TO THE RESERVE FUND BY \$28,000,000 FOR RAIL CAR REPLACEMENT PROGRAM

WHEREAS, the Authority has both a legal and 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 operation of this public transportation system in the fiscal year to be paid or met from said revenue; and

WHEREAS, in order to meet those requirements, a budget for the Greater Cleveland Regional Transit Authority for the fiscal year beginning January 1, 2021 and ending December 31, 2021 ("FY 2021") was prepared; and

WHEREAS, the Reserve Fund helps to protect the Authority from future economic downturns, as well as significant increases in fuel and hospitalization costs, to financially plan for payment of earned vacation hours when an employee separates or retires, to establish a method to account for future budget years with 27 pay periods, and to accumulate sufficient funds to replace the Authority's aging revenue vehicles; and

WHEREAS, it is in the best interest of the Authority to increase the appropriation in the Reserve Fund by \$28 million for the rail car replacement program. This would increase the Reserve Fund appropriation from \$21 million to \$49 million; and

WHEREAS, the Capital Improvement Fund is used for the construction and acquisition of major capital facilities and equipment, including purchasing of revenue vehicles; and

WHEREAS, it is in the best interest of the Authority to increase the transfer to the Capital Improvement Fund for the rail car replacement program by \$15 million, to establish sufficient funding in the FY 2021 Capital Budget; and

WHEREAS, the Board of Trustees adopted the FY 2021 General Fund Budget on December 15, 2020 through Resolution No. 2020-101; and

WHEREAS, the Operational Planning & Infrastructure Committee of the Board of Trustees reviewed and discussed the proposed increase to the FY 2021 General Fund Budget on February 2, 2021 and recommended its approval by the Board on February 16, 2021.

NOW, THEREFORE 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 Authority, during the period of January 1, 2021 through December 31, 2021 ("Fiscal Year 2021"), as set forth in Resolution No. 2020-101, adopted by the Board on December 15, 2020 are hereby amended as follows:

General Fund

	2021 Budget Appropriation	2021 Amended Budget Appropriation	Variance
OPERATIONS DIVISION			
31 PARATRANSIT DISTRICT	25,535,790	25,535,790	-
32 RAIL DISTRICT	25,268,804	25,268,804	-
33 ASSET & CONFIGURATION MANAGEMENT	1,891,859	1,891,859	-
34 TRANSIT POLICE	14,020,698	14,020,698	-
35 SERVICE MANAGEMENT	6,177,697	6,177,697	-
36 POWER & WAY	14,531,161	14,531,161	-
38 SERVICE QUALITY MGMT	7,301,441	7,301,441	-
39 FLEET MANAGEMENT	37,144,344	37,144,344	-
43 PASS THRU	650,000	650,000	-
46 HAYDEN DISTRICT	44,424,459	44,424,459	-
49 TRISKETT DISTRICT	33,963,672	33,963,672	-
58 INTELLIGENT TRANSPORTATION SYSTEMS	1,760,873	1,760,873	-
DIVISION TOTAL	\$ 212,670,798	\$ 212,670,798	\$ -
FINANCE & ADMINISTRATION DIVISION			
10 OFFICE OF BUSINESS DEVELOPMENT	417,470	417,470	-
60 ACCOUNTING	4,312,684	4,312,684	-
62 SUPPORT SERVICES	1,028,499	1,028,499	-
64 PROCUREMENT	1,777,707	1,777,707	-
65 REVENUE	2,225,912	2,225,912	-
67 OFFICE OF MANAGEMENT & BUDGET	5,688,459	5,688,459	-
DIVISION TOTAL	\$ 15,450,731	\$ 15,450,731	\$ -

	2021 Budget Appropriation	2021 Amended Budget Appropriation	Variance
ENGINEERING & PROJECT MANAGEMENT DIVISION			
55 PROJECT SUPPORT	692,133	692,133	-
57 PROGRAMMING & PLANNING	901,055	901,055	-
80 ENGINEERING & PROJECT DEVELOPMENT	2,085,804	2,085,804	-
DIVISION TOTAL	\$ 3,678,992	\$ 3,678,992	\$ -
LEGAL AFFAIRS DIVISION			
15 SAFETY	920,422	920,422	-
21 LEGAL	4,068,215	4,068,215	-
22 RISK MANAGEMENT	4,804,566	4,804,566	-
DIVISION TOTAL	\$ 9,793,203	\$ 9,793,203	\$ -
HUMAN RESOURCES DIVISION			
14 HUMAN RESOURCES	2,167,314	2,167,314	-
18 LABOR & EMPLOYEE RELATIONS	1,391,113	1,391,113	-
30 TRAINING & EMPLOYEE DEVELOPMENT	4,050,528	4,050,528	-
DIVISION TOTAL	\$ 7,608,955	\$ 7,608,955	\$ -
EXECUTIVE DIVISION			
12 EXECUTIVE	1,839,584	1,839,584	-
16 SECRETARY/TREASURER - BOARD OF TRUSTEES	280,572	280,572	-
19 INTERNAL AUDIT	1,019,110	1,019,110	-
53 MARKETING & COMMUNICATIONS	2,417,932	2,417,932	-
61 INFORMATION TECHNOLOGY	7,726,620	7,726,620	-
99 FUND TRANSFERS	55,157,882	70,157,882	15,000,000
DIVISION TOTAL	\$ 68,441,699	\$ 83,441,699	\$ 15,000,000
GRAND TOTAL	\$ 317,644,379	\$ 332,644,379	\$ 15,000,000

CAPITAL IMPROVEMENT FUNDS

(Resolution No 2020-100 amended and approved on Decemember 15, 2020)

(Resolution No 2021-18 amended and approved on February 16, 2021)

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Construction and Acquisition of Transit Facilities and Equipment	\$126,674,752	\$191,174,752	\$64,500,000
Coronavirus Response and Relief Supplemental Appropriations Act	0	60,000,000	60,000,000

BOND RETIREMENT FUND

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Debt Service – Principal	\$11,345,000	\$11,345,000	0
Debt Service – Interest	5,279,000	5,279,000	0
Other	1,500	1,500	0

INSURANCE FUND

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Claims & Premium Outlay	\$2,919,000	\$2,919,000	0

SUPPLEMENTAL PENSION FUND

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Benefits Payments	\$58,000	\$58,000	0

LAW ENFORCEMENT FUND

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Safety & Security Training	\$20,000	\$20,000	0
Capital & Related Items	0	0	0

RESERVE FUND

	Appropriation 12/15/20	Appropriation 2/16/21	Variance
Transfers to General Fund	0	0	0
Transfers to RTA Development Fund	\$21,000,000	\$49,000,000	\$28,000,000

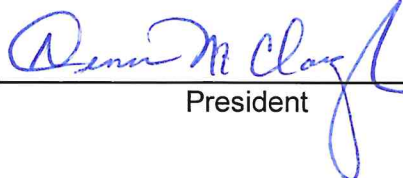
CUMULATED APPROPRIATIONS

	Budget Appropriation	Amended Appropriation	Variance
General Fund	\$317,644,379	\$332,644,379	\$15,000,000
Capital Improvement Funds	126,674,752	251,174,752	124,500,000
Bond Retirement Fund	16,625,500	16,625,500	0
Insurance Fund	2,919,000	2,919,000	0
Supplemental Pension Fund	58,000	58,000	0
Law Enforcement Fund	20,000	20,000	0
Reserve Fund	21,000,000	49,000,000	28,000,000

Section 2. That all other provisions of the appropriations for the current expenses and other expenditures of the Authority, during Fiscal Year 2021, as forth in Resolution No. 2020-101, not otherwise amended, shall remain in full force and effect.

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

Adopted: February 16, 2021



 President

Attest: 

 Interim Secretary-Treasurer



TITLE/DESCRIPTION: AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NO. 2020-101 AND TO PROVIDE FOR A \$15,000,000 TRANSFER TO THE DEVELOPMENT FUND AND INCREASING APPROPRIATION TO THE RESERVE FUND BY \$28,000,000 FOR RAIL CAR REPLACEMENT PROGRAM	Resolution No.: 2020-19
	Date: February 11, 2021
	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 amendment to increase the transfer to the Development Fund and increase appropriations in the Reserve Fund for the expenditures for the rail car replacement program.
- 2.0 DESCRIPTION/JUSTIFICATION: The proposed amendment will authorize an increase in the overall appropriations budget for Fiscal Year ("FY") 2021 by \$43 million. An additional \$15 million will be transferred from the General Fund to the Capital Improvement Fund and \$28 million will be transferred from the Reserve Fund to the RTA Development Fund for the rail car replacement program.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: The FY 2021 Budget provides for the revenues and expenditures of the Authority. These transfers from the General Fund and Reserve Fund will enable the Authority to increase the appropriation, established by Resolution No. 2020-101, by \$43 million for the rail car replacement program.
- 6.0 ECONOMIC IMPACT: These amendments will increase the transfers to the Capital Improvement Fund by \$15 million and increase the expenditures of the Reserve Fund by \$28 million. These funds will be used for the rail car replacement program.
- 7.0 ALTERNATIVES: Modify or not approve the budget amendment as proposed. This would prevent the Authority from replacing its aging rail fleet.
- 8.0 RECOMMENDATION: The proposed 2021 Amended General Fund Budget has been reviewed at the February 2, 2021 Operational Planning & Infrastructure Committee and is recommended for adoption. It is recommended that the Board approve the proposed FY 2021 Amended General Fund Budget and Fund Transfers as proposed herein.
- 9.0 ATTACHMENTS:
 - A. Amended General Fund Balance Analysis
 - B. Amended Capital Improvement Fund Balance Analysis
 - C. Amended Reserve Fund Balance Analysis

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



General Manager, Chief Executive Officer

ATTACHMENT A
Amended General Fund Balance Analysis

	2021 Budget	2021 Amended Budget	2022 Plan	2023 Plan
Beginning Balance	133,581,757	133,581,757	129,108,244	83,556,384
Revenue				
Passenger Fares	27,814,100	27,814,100	28,092,241	28,373,163
Advertising & Concessions	1,803,916	1,803,916	1,803,916	1,700,863
Sales & Use Tax	215,720,056	215,720,056	218,955,857	222,240,195
Federal Operating Assistance - CARES Act/CRRSAA	0	60,000,000	0	0
Investment Income	2,069,958	2,069,958	808,221	1,754,684
Other Revenue	1,348,918	1,348,918	1,348,918	1,348,918
Reimbursed Expenditures	19,413,919	19,413,919	2,935,471	21,520,000
Total Revenue	268,170,867	328,170,867	253,944,624	276,937,823
Total Resources	401,752,624	461,752,624	383,052,868	360,494,208
Total Operating Expenditures	262,486,498	262,486,498	267,162,935	271,925,973
Transfers to (from) Other Funds				
Transfer to (from) the Insurance Fund	2,000,000	2,000,000	2,600,000	2,700,000
Transfer to (from) the Pension Fund	45,000	45,000	40,000	40,000
Transfers to Reserve Fund	10,878,615	10,878,615	5,878,615	5,878,615
Transfers from the Reserve Fund				
Transfers to (from) Capital				
Bond Retirement Fund	13,835,408	13,835,408	13,820,910	14,065,825
Capital Improvement Fund	28,398,859	43,398,859	9,994,023	10,065,825
Total Transfers to (from) Capital	42,234,267	57,234,267	23,814,934	24,131,650
Total Transfers to (from) Other Funds	55,157,882	70,157,882	32,333,549	32,750,265
Total Expenditures	317,644,379	332,644,379	299,496,484	304,676,238
Available Ending Balance	84,108,243	129,108,243	83,556,384	55,817,969

Passenger Fare & Sales Tax % Change 3.99%
 Operating Expenses % Change 6.40%
 Revenues - Expenses (millions) (\$49.47)

0.00%
 0.00%
 (\$4.47)

1.44%
 1.78%
 (\$27.74)

1.44%
 1.78%
 (\$45.55)

Amended Capital Improvement Fund Balance Analysis

	2021 Budget	2021 Amended Budget	2022 Plan	2023 Plan
Beginning Balance	22,004,249	22,004,249	50,463,154	45,373,340
Revenue				
Transfer from General Fund	28,398,859	43,398,859	9,994,023	10,065,825
Transfer from Reserve Fund	21,000,000	49,000,000	5,000,000	5,000,000
Investment Income	265,000	265,000	265,000	265,000
Federal Capital Grants	92,633,201	92,633,201	108,949,744	90,160,000
CARES Act / CRRSAA Assistance	0	60,000,000	0	0
State Capital Grants	9,336,598	9,336,598	10,136,598	10,136,598
Debt Service Proceeds	25,000,000	25,000,000	0	25,000,000
Capital Lease	0	0	0	0
Other Revenue	0	0	0	0
Total Revenue	176,633,657	279,633,657	134,345,365	140,627,423
Total Resources	198,637,906	301,637,906	184,808,520	186,000,763
Expenditures				
Capital Outlay	126,674,752	191,174,752	139,435,180	115,803,984
Capital Outlay - CARES Act / CRRSAA	0	60,000,000	0	0
Other Expenditures	0	0	0	0
Transfer to Bond Retirement Fund	0	0	0	0
Transfer to Insurance Fund	0	0	0	0
Total Expenditures	126,674,752	251,174,752	139,435,180	115,803,984
Available Ending Balance	71,963,154	50,463,154	45,373,340	70,196,779

ATTACHMENT C

Amended Reserve Fund Balance Analysis

	2021 Budget	2021 Amended Budget	2022 Plan	2023 Plan
Beginning Balance	51,377,465	51,377,465	13,881,080	15,509,695
Revenue				
Investment Income	625,000	625,000	750,000	900,000
Transfer from GF for Compensated Absences	0	0	0	0
Transfer from GF for Fuel	0	0	0	0
Transfer from GF for Hospitalization	0	0	0	0
Transfer from GF for Rolling Stock Reserve	10,000,000	10,000,000	5,000,000	5,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615	878,615
Other Revenue	0	0	0	0
Total Revenue	11,503,615	11,503,615	6,628,615	6,778,615
Total Resources	62,881,080	62,881,080	20,509,695	22,288,310
Expenditures				
Transfer to General Fund (Compensated Absences)	0	0	0	0
Transfer to General Fund (Fuel)	0	0	0	0
Transfer to General Fund (Hospitalization)	0	0	0	0
Transfer to RTA Development Fund (Rolling Stock)	21,000,000	49,000,000	5,000,000	5,000,000
Transfer to General Fund (27th Pay - 2024)	0	0	0	0
Total Expenditures	21,000,000	49,000,000	5,000,000	5,000,000
Ending Balance	41,881,080	13,881,080	15,509,695	17,288,310
Rolling Balances				
Compensated Absences	3,751,037	3,751,037	3,818,210	4,039,774
Fuel	2,647,050	2,647,050	2,694,453	2,850,808
Hospitalization	2,709,942	2,709,942	2,758,471	2,918,540
Rolling Stock	28,925,145	925,145	1,443,132	1,526,874
27th Pay: Salary: 2020 / Hourly 2025	3,847,906	3,847,906	4,795,428	5,952,314
Total	41,881,080	13,881,080	15,509,695	17,288,310