

RESOLUTION NO. 2021-64

AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NO. 2020-101 AND 2021-019 AND INCREASING THE APPROPRIATION TO THE GENERAL FUND BY \$62,000,000

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 Bond Retirement Fund accounts for resources set aside for the payment of principal and interest on debt obligations; and

WHEREAS, it is in the best interest of the Authority to increase the appropriation by \$62.0 million, to transfer this funding to the Bond Retirement Fund; and

WHEREAS, the funds will be deposited into an escrow account to defease all or a portion of the Series 2012 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, and the Series 2019 Bonds and reasonable fees and costs associated with such defeasance, which would result in debt service cost savings and benefit the Authority; and

WHEREAS, the Board of Trustees adopted the FY 2021 General Fund Budget on December 15, 2020 through Resolution No. 2020-101 and on February 16, 2021 through Resolution No. 2021-019; 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 June 15, 2021 and recommended its approval by the Board on June 29, 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 and in Resolution No. 2021-019, adopted by the Board on February 16, 2021, are hereby amended as follows:

General Fund

	2021 Current Budget Appropriation	2021 Amended Budget Appropriation	Variance
OPERATIONS DIVISION			
DIVISION TOTAL	\$ 212,670,798	\$ 212,670,798	\$ -
FINANCE & ADMINISTRATION DIVISION			
DIVISION TOTAL	\$ 15,450,731	\$ 15,450,731	\$ -
ENGINEERING & PROJECT MANAGEMENT DIVISION			
DIVISION TOTAL	\$ 3,678,992	\$ 3,678,992	\$ -
LEGAL AFFAIRS DIVISION			
DIVISION TOTAL	\$ 9,793,203	\$ 9,793,203	\$ -
HUMAN RESOURCES DIVISION			
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			
Personnel Services	-	-	-
Other Expenditures	70,157,882	132,157,882	62,000,000
	<u>70,157,882</u>	<u>132,157,882</u>	<u>62,000,000</u>
DIVISION TOTAL	\$ 83,441,699	\$ 145,441,699	\$ 62,000,000
GRAND TOTAL	\$ 332,644,379	\$ 394,644,379	\$ 62,000,000


Section 2. That all other provisions of the appropriations for the current expenses and other expenditures of the Authority, during Fiscal Year 2021, as set forth in Resolution Nos. 2020-101 and 2021-019, not otherwise amended, shall remain in full force and effect.

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

Adopted: June 29, 2021



President

Attest: 
Secretary-Treasurer



TITLE/DESCRIPTION: AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NOS. 2020-101 AND 2021-019 AND INCREASING THE APPROPRIATION TO THE GENERAL FUND BY \$62,000,000	Resolution No.: 2021- 64
	Date: June 24, 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 Appropriations in the General Fund for an increase in the transfer to the Bond Retirement Fund for the cash defeasance of debt service and payment of reasonable fees and costs associated with the defeasance.
- 2.0 DESCRIPTION/JUSTIFICATION: The proposed amendment will authorize an increase in the overall appropriations budget for Fiscal Year ("FY") 2021 by \$62.0 million to be transferred to the Bond Retirement Fund for defeasance of debt service to all or a portion of the Series 2012 Bonds, the Series 2015 Bonds, the Series 2016 Bonds, and the Series 2019 Bonds, which would result in debt service cost savings, which will accrue to the benefit of the Authority.
- 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. The increased appropriation to the General Fund will enable funding to be transferred to the Bond Retirement Fund for the defeasance of debt service.
- 6.0 ECONOMIC IMPACT: This amendment will increase the transfers to the Bond Retirement Fund by \$62.0 million. These funds will be used for the defeasance of debt service and payment of reasonable fees and costs associated with the defeasance.
- 7.0 ALTERNATIVES: Modify or not approve the budget amendment as proposed. This would prevent the Authority from paying off a portion of its debt service.
- 8.0 RECOMMENDATION: The proposed 2021 Amended General Fund Budget has been reviewed at the June 15, 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 as proposed herein.
- 9.0 ATTACHMENTS: None

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



 General Manager, Chief Executive Officer