

RESOLUTION NO. 2022-68

AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NO. 2021-112, TO INCREASE THE TRANSFERS TO THE RESERVE FUND BY \$50,000,000 AND THE CAPITAL IMPROVEMENT FUND BY \$4,497,292

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, 2022 and ending December 31, 2022 ("FY 2022") 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, to accumulate sufficient funds to replace the Authority's aging revenue vehicles, and to accumulate funds to protect against substantial decreases in revenues; and

WHEREAS, the Capital Improvement Fund is used for the construction and acquisition of major capital projects for the capital improvement program of the Greater Cleveland Regional Transit Authority; and

WHEREAS, it is in the best interest of the Authority to increase the transfer in the General Fund to the Reserve Fund by \$50.0 million, for the Revenue Stabilization sub-fund; and transfer to the Capital Improvement Fund by \$4.5 million; and

WHEREAS, the Board of Trustees adopted the FY 2022 General Fund Budget on December 21, 2021 through Resolution No. 2021-112; and

WHEREAS, the Operational Planning & Infrastructure Committee of the Board of Trustees reviewed and discussed the proposed increase to the FY 2022 General Fund Budget on July 12, 2022 and recommended its approval by the Board on July 26, 2022.

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, 2022 through December 31, 2022 ("Fiscal Year 2022"), as set forth in Resolution No. 2021-112, adopted by the Board on December 21, 2021 are hereby amended as follows:

Amended General Fund Balance Analysis

	2021 Actual	2022 Budget	2022 Amended	Variance
Beginning Balance	\$ 132,581,757	\$ 62,360,626	\$ 62,360,626	
Revenue				
Passenger Fares	21,541,061	21,719,563	21,719,563	-
Advertising & Concessions	1,228,020	1,390,000	1,390,000	-
Sales & Use Tax	239,341,747	242,986,048	242,986,048	-
CRRSAA Federal Funding	67,416,466	-	-	-
ARP Federal Funding	54,815,088	81,199,333	81,199,333	-
Investment Income	97,478	600,000	600,000	-
Other Revenue	854,246	1,500,000	1,500,000	-
Reimbursed Expenditures	14,804,933	5,000,000	5,000,000	-
Transfer from Reserve Fund (Revenue Stabilization)	-	-	-	-
Total Revenue	400,099,039	354,394,944	354,394,944	0
Total Resources	532,680,796	416,755,570	416,755,570	0
Operating Expenditures				
Salaries and Overtime	140,088,330	150,098,342	150,098,342	-
Payroll Taxes and Fringes	57,491,909	58,810,762	58,810,762	-
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,101,694	10,451,419	10,451,419	-
Utilities	4,700,271	4,179,636	4,179,636	-
Inventory	12,773,812	13,100,000	13,100,000	-
Services and Material & Supplies	18,818,101	21,866,701	21,866,701	-
Purchase Transportation	9,335,470	9,150,000	9,150,000	-
Other Expenditures	6,018,115	7,100,010	7,100,010	-
Total Operating Expenditures	257,327,702	274,756,870	274,756,870	0
Transfers to (from) Other Funds				
Transfer to (from) the Insurance Fund	2,100,000	2,500,000	2,500,000	-
Transfer to (from) the Pension Fund	45,000	40,000	40,000	-
Transfers to Reserve Fund	95,878,615	10,878,615	60,878,615	(50,000,000)
Transfers from the Reserve Fund	0	0	0	-
Transfers to (from) Capital				
Bond Retirement Fund	13,835,408	11,500,000	11,500,000	-
Bond Defeasance	57,734,586	0	-	-
Capital Improvement Fund	43,398,859	40,228,465	44,725,758	(4,497,292)
Total Transfers to (from) Capital	114,968,853	51,728,465	56,225,758	(4,497,292)
Total Transfers to (from) Other Funds	212,992,468	65,147,080	119,644,373	(54,497,292)
Total Expenditures	470,320,170	339,903,950	394,401,243	(54,497,292)
Available Ending Balance	\$ 62,360,626	\$ 76,851,620	\$ 22,354,328	\$ 54,497,292

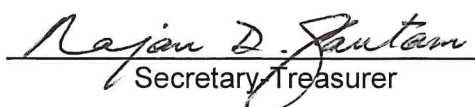
Section 2. That all other provisions of the appropriations for the current expenses and other expenditures of the Authority, during Fiscal Year 2022, as set forth in Resolution No. 2021-112, not otherwise amended, shall remain in full force and effect.

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



Adopted: July 26, 2022

President

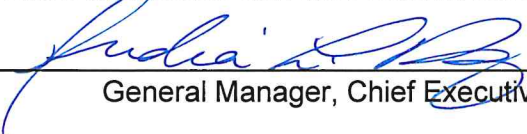
Attest: 
Secretary/Treasurer



TITLE/DESCRIPTION: AMENDING APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENDITURES FOR THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY, AS ADOPTED IN RESOLUTION NO. 2021-112, TO INCREASE THE TRANSFERS TO THE RESERVE FUND BY \$50,000,000 AND THE CAPITAL IMPROVEMENT FUND BY \$4,497,292	Resolution No.: 2022-68
	Date: July 21, 2022
	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 appropriation in the General Fund to increase the transfer to the Reserve Fund for the Revenue Stabilization sub-fund and the transfer to the Capital Improvement Fund.
- 2.0 DESCRIPTION/JUSTIFICATION: The proposed amendment will authorize an increase in the overall appropriations budget for Fiscal Year ("FY") 2022 by \$54.5 million to be transferred to the Reserve Fund for the Revenue Stabilization sub-fund (\$50,000,000) and Capital Improvement Fund (\$4,497,292).
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: The FY 2022 Budget provides for the revenues and expenditures of the Authority. The increased appropriation in the General Fund will enable funding to be transferred to the Reserve Fund for the Revenue Stabilization sub-fund and the Capital Improvement Fund.
- 6.0 ECONOMIC IMPACT: This amendment will increase the transfers to the Reserve Fund by \$50.0 million and Capital Improvement Fund by \$4.5 million. The funds transferred to the Reserve Fund will be set aside until they are needed to maintain the 1-month ending balance in the General Fund. The transfer to the Capital Improvement Fund will be utilized to maintain the state of good repair of current assets.
- 7.0 ALTERNATIVES: Modify or not approve the budget amendment as proposed. This would impact the Authority's ability to reserve funding for economic downturns or capital projects.
- 8.0 RECOMMENDATION: The proposed 2022 Amended General Fund Budget was reviewed by the Operational Planning & Infrastructure Committee on July 12, 2022 and is recommended for adoption. It is recommended that the Board of Trustees approve the FY 2022 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