

2025 TAX BUDGET



OUR MISSION: CONNECTING THE COMMUNITY




**Greater Cleveland
Regional Transit Authority**

FY 2025 TAX BUDGET

To: Mayor Paul A. Koomar, President
and Members, Board of Trustees

Date: July 3, 2024

From: India L. Birdsong Terry 
General Manager, Chief Executive Officer

Subject: FY 2025 Tax Budget

EXECUTIVE SUMMARY

The Fiscal Year (FY) 2025 Tax Budget is an initial analysis of the financial trends affecting revenues, with preliminary forecasts on expenditures and service levels of the Greater Cleveland Regional Transit Authority (“Authority”). It is a forward-looking document that reviews estimated revenues for the next fiscal year. It is a valuable tool in the budget development process.

The year kicked off an announcement that the Authority was named a Gold Level Employer by the Healthy Business Council of Ohio (HBCO). This program annually recognizes Ohio employers that have demonstrated a commitment to their employees’ wellbeing by providing comprehensive worksite health promotion and wellness programs. This designation program acknowledges efforts made to improve overall employee health, enhance productivity, and ensure a healthy work environment.

In January, the Authority was selected by the American Public Transportation Association (APTA) to record a podcast about our “Positive Impact Mentoring” Program. Results show that this program is increasing employee retention, while decreasing new operators’ absenteeism. Positive results have been experienced at the one-year mark (after the formal program launch):

- New operators paired with mentor had a **36% higher retention** rate than their peers who were not paired with a mentor (50% vs 86% retention at 1-year service)
- New operators paired with a mentor had **30% less absences** than their peers who were not paired with a mentor.
- New operators paired with a mentor had **50% less absences** than their peers who were not paired with a mentor.

In April we held our second Town Hall meeting at Cleveland Public Library. The key topics of discussion included “TRACTION” key performance indicators and action points. Those who attended learned about the four Success Outcomes of TRACTION: Community Impact, Customer Experience, Employee Investment, and Financial Health. The Authority continues to focus on key initiatives to enhance the riders’ experience, enhance community partnerships, financial sustainability, and employee engagement and employee retention.

The Ohio Department of Transportation (ODOT) awarded the Authority \$9 million in grant funds from the state fiscal year (SFY) 2025 Ohio Transit Partnership Program (OTP2) towards the purchase of new railcars and LED signage at GCRTA Healthline Stations. Another award announcement was received in February from ODOT and Ohio Environmental Protection Agency (EPA), where \$2.3 million in grant funds will be awarded to replace six diesel vehicles with new CNG buses.

Earlier this year we welcomed Emily Garr Pacetti, Vice President & Community Affairs Officer of the Federal Reserve Bank of Cleveland as a new Board Member. In March, Mayor Paul A. Koomar was elected President of the Board of Trustees and Lauren R. Welch to the role of Vice President

Looking ahead, there will be new opportunities that the Authority can provide to serve and connect Greater Cleveland residents to the community by providing premier service.

General Fund Assumptions

Inflation

Assumption:

2.3% - 2.8%

The inflation rate hit a high of 9.1% in June 2022, the highest level since 1981. Since then, the inflation rate has steadily dropped and has hovered between 3.1% and 3.7% from July 2023 to May 2024. The FOMC median projection for real GDP growth is 2.0% and unemployment is projected at 4.2% in 2025. As inflation has remained steady over the past several months, the FOMC is forecasting that inflation will drop in 2024 to 2.8% by year end and drop again in 2025 to 2.3%.

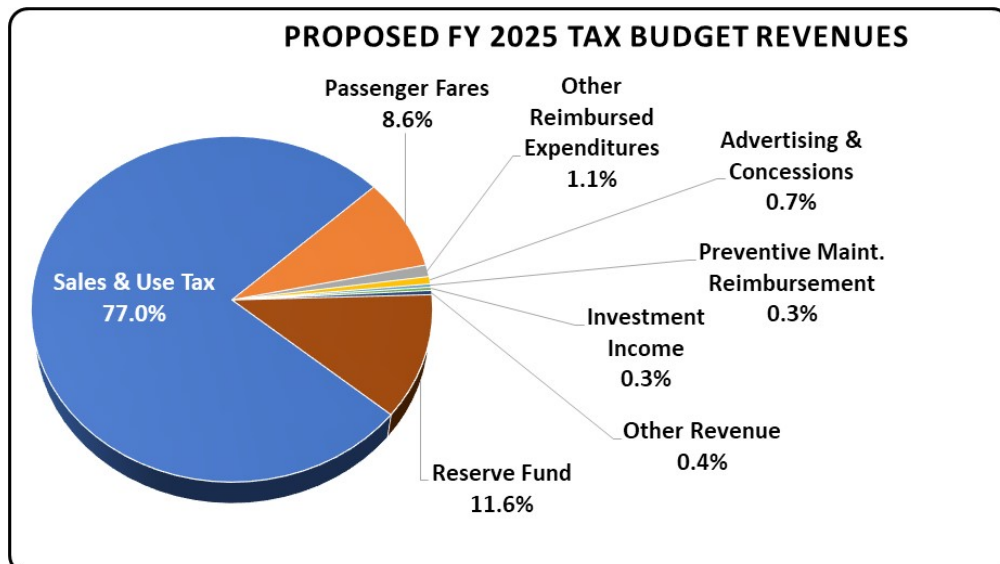
Interest Rates

Assumption:

4.25% - 5.0%

The Federal Reserve announced at its June 2024 Federal Open Market Committee (FOMC) meeting that the Federal Funds Rate (FFR) will maintain rates at 5.5%. Until the committee gains confidence that inflation is moving toward the target rate of 2 percent, the committee will continue to hold interest rates steady.

REVENUES



Passenger Fares

\$30.2M

Actual Passenger Fare Revenue received through May 2024 totaled \$13.6 million. This amount is 25% above 2023 actual receipts for the same period. Total Passenger Fares for 2024 are estimated at \$29.5 million, 6.8% above 2023 actual revenues. Based on current trends, we are projecting ridership to continue to increase slowly in 2025. Total passenger fares for 2025 are projected at \$30.2 million, a 2.5% increase.

Advertising & Concessions

<i>Advertising Contract and Concessions</i>	\$2.0M
<i>Naming Rights: HealthLine, CSU Line, and MetroHealth Line</i>	\$0.5M
Total	\$2.5 M

Advertising and Concessions revenue is composed of two subcategories. The first subcategory is comprised of the current advertising contract, concessions, and the new contract for advertising on the bus shelters. The second category is the Naming Rights, which includes Cleveland Clinic Foundation and University Hospitals for the HealthLine and area shelters, Cleveland State University for the CSU Line, Tri-C District for E. 34th Rapid Station, and MetroHealth Medical Center for the MetroHealth Line. The Advertising & Concessions category is projected to total \$2.3 million in 2024. For 2025, advertising and concessions is projected at \$2.5 million, based on the contractual terms.

Sales & Use Tax Revenue

\$270.9M

The Authority receives a 1.0% Sales and Use Tax on sales of tangible personal property and on other transactions subject to the state Sales and Use Tax within Cuyahoga County. The 1% tax is of unlimited duration and was approved by the voters of Cuyahoga County in July 1975. The tax is levied and collected at the same time and on the same transactions as the permanent 5.75% Sales and Use Tax levied by the State, 1.0% levied by Cuyahoga County and a special 0.25% levied by Cuyahoga County.

Sales Tax for 2024 is estimated at \$266.1 million, a 1.6% increase over 2023, and 0.8% below budget. The projection for the 2025 Tax Budget is based on actual receipts through June 2024, with projections anticipating a growth of 1.8%. Sales tax receipts are projected at \$270.9 million in FY 2025.

Investment Income

\$1.0M

For FY 2024, the Investment Income is projected to end the year just over \$1.0 million, with an average yield of 4.48% on investments. The Federal Reserve Bank anticipates interest rates to remain steady in 2024 and slowly decrease in 2025. The estimated Investment Income is based on an average rate earned over the prior three years. The Investment Income is projected to remain constant in FY 2026 and slightly decrease in FY 2027. In 2025, the projection is to remain near \$1.0 million.

Other Revenue

\$1.5M

This revenue category includes funding from various miscellaneous receipts from contractors, hospitalization, claim reimbursements, rent, salvage sales, and sale of identification cards. Other Revenue is projected at \$1.5 million.

Transfers from Reserve Fund

<i>Transfer for 27th Pay</i>	<i>\$4.5M</i>
<i>Transfer for Revenue Stabilization</i>	<i>36.5M</i>
<i>Total</i>	<i>\$41.0M</i>

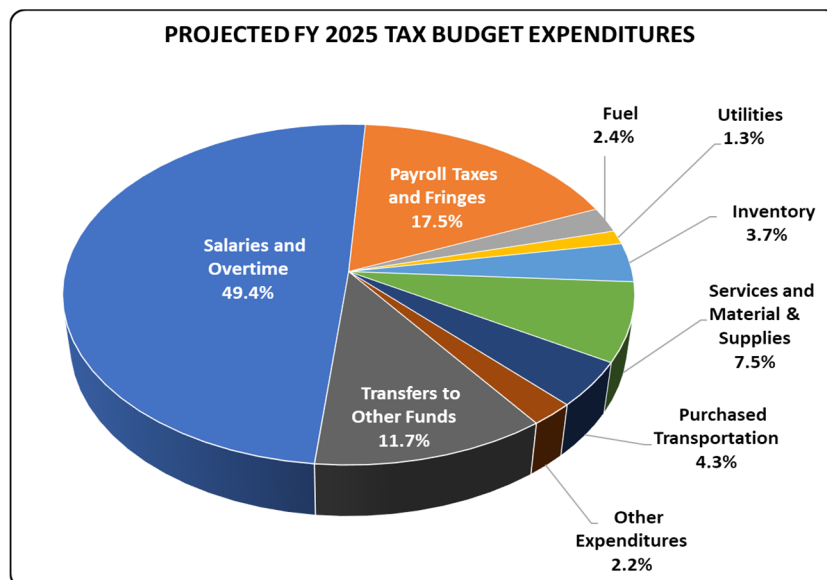
This revenue category includes transfers from the Reserve Fund for the 27th Pay and Revenue Stabilization Fund. A 27th pay occurs in 2025 for the hourly employees. A transfer of \$4.5 million is being transferred from the Reserve Fund to the General Fund to pay for these expenses. A transfer of \$36.5 million from the Reserve Fund to the General Fund for Revenue Stabilization is to ensure a one-month operating ending balance required by Board policy.

Reimbursed Expenditures

<i>Preventive Maintenance Activities</i>	<i>\$1.0M</i>
<i>Reimbursed Labor</i>	<i>1.0M</i>
<i>Other Reimbursements</i>	<i>3.0M</i>
<i>Total</i>	<i>\$5.0M</i>

This category consists of reimbursement of labor costs for capital projects, preventive maintenance activities within the Operating Budget, and diesel fuel tax refunds. For the 2025 Tax Budget, revenues from Reimbursed Expenditures are budgeted at \$5.0 million. For FY 2026 and FY 2027 the authority will increase the Preventive Maintenance Reimbursement to \$4.3 million and \$4.9 million, respectively. This will enable the Authority to continue using most of the grant funding for unfunded and underfunded capital projects. Other reimbursements include reimbursements for labor, fuel, and other miscellaneous reimbursements, which are projected at \$3.0 million for FY 2025.

EXPENDITURES



Salaries and Overtime

\$173.2M

Total salaries and overtime for the 2025 Tax Budget are projected at \$173.2 million and account for nearly 50% of RTA’s General Fund expenses. Total salaries for 2025 are estimated to increase by 4% compared to FY 2024 estimates. This increase is based on union negotiated increases and non-bargaining increases for the year, as well as a 27th pay for hourly employees.

Payroll Taxes and Fringes

\$61.5M

Payroll Taxes and Fringe Benefits are projected at \$61.5 million for the 2025 Tax Budget and account for about 17.5% of General Fund expenses. The main expenses include payroll taxes, health care, prescription, vision, dental, uniform allowances, Medicare and PERS (pension) expenses.

Fuel

\$8.6M

The fuel category includes diesel, compressed natural gas, gasoline, electric propulsion power, and propane. The Energy Price Risk Management Program has helped to stabilize the cost of fuel, which has been one of GCRTA’s most volatile expenses. The Authority’s diesel fuel usage has decreased over the years as more CNG buses have been placed into service and older diesel vehicles are retired. For 2025, 20 new CNG buses and 20 Paratransit vehicles are planned to be placed in operation.

Other Expenditures

<i>Utilities</i>	<i>\$4.4M</i>
<i>Inventory</i>	<i>13.0M</i>
<i>Services & Materials</i>	<i>26.2M</i>
<i>Purchased Transportation/ADA</i>	<i>15.0M</i>
<i>Other Expenditures</i>	<i>7.8M</i>
<i>Total</i>	<i>\$66.4M</i>

The Utilities category includes natural gas (for facility heating), water/sewer, electricity, and telephone expenses. This category is budgeted at \$4.4 million for the 2025 Tax Budget. Electricity and natural gas usage are managed through contracts. The current contract for electricity began in 2022, which stabilized costs through 2027 at favorable prices for the Authority. Natural gas commodity costs are locked in through mid-2026.

Inventory is budgeted at \$13.0 million. The Supply Chain Management section of the Authority’s Fleet Management department has helped the Authority to maintain predictive maintenance and repairs on the Authority’s newer fleets and carry out major purchases for supplies and equipment during the pandemic. The Authority continues to implement the predictive maintenance program that started in 2015 where parts are replaced based on a proactive maintenance program.

The main drivers of the Services and Materials category are service and maintenance contracts, advertising costs, equipment, and other miscellaneous supplies. This category is budgeted at \$26.2 million for the 2025 Tax Budget. The out years are planned to increase slightly each year based on contracts and inflation.

Purchased Transportation/ADA is budgeted at \$15.0 million for the 2025 Tax Budget. The Authority entered into 3 new contracts in 2023 and ridership has increased significantly in the past year. The “Other Expenditures” category includes travel and meeting expenses, claims, and other miscellaneous expenses. For the 2025 Tax Budget, \$7.8 million is projected for this category.

Transfers

<i>Bond Retirement</i>	<i>\$9.2M</i>
<i>Capital Improvements</i>	<i>18.1M</i>
<i>Insurance Fund</i>	<i>3.0M</i>
<i>Reserve Fund</i>	<i>10.9M</i>
<i>Total</i>	<i>\$41.2M</i>

Transfers shown for the Bond Retirement are for the debt service less the investment income earned in the Bond Retirement Fund. The \$9.2 million transfer to the Bond Retirement Fund for 2025 is needed to pay the principal and interest on all debt for 2025, as well as to maintain the recommended ending balance.

The \$18.1 million transfer to the Capital Improvement Fund covers 100% locally-funded capital projects in the RTA Capital Fund, as well as required local matches for most grant-funded projects in the RTA Development Fund. The total contribution to capital (transfer to the Capital Improvement Funds and Bond Retirement Fund), at 10.0%. The recommended Board policy of a minimum transfer of 10% of Sales & Use Tax revenue continues to reflect the significant financial requirements of the Authority’s capital program.

The \$3.0 million transfer to the Insurance Fund is required to maintain the Fund Balance at the current \$5 million level and to cover expected expenses for the 2025 Fiscal Year. A transfer of \$10.9 million to the Reserve Fund will cover a \$10 million transfer for rail vehicles and \$0.9 million which covers 1/12 of 27th pay expenses.

FINANCIAL INDICATORS

The General Fund statement presented in this Tax Budget results in the following performance against the Authority’s financial policy goals.

OPERATING EFFICIENCY

Operating Ratio: The Board policy requires a 25.0% ratio in operating revenues compared to total operating expenditures. This ratio shows the efficiency of management by comparing operating expenses to operating revenues. The 2025 Tax Budget yields a 10.9% ratio, which is below the policy objective.

Operating Reserve: The Operating Reserve is targeted for a period of 30 days, or 1 month, meaning the available cash equivalent to one month’s operating expenses to cover any unforeseen or extraordinary fluctuations. At a projected ending balance of \$26.1 million, the Operating Reserve for the 2025 Tax Budget is budgeted at 1.0 months.

Growth per Year: This policy requires that growth in the cost per hour of service from year to year be at or below the rate of inflation. The cost per hour of service is a measure of service efficiency dividing total operating expenses by total service hours. The Growth per Year is the cost of delivering a unit of service (cost per hour of service) compared to the prior year. The FOMC estimates inflation will fall between 2.3% and 2.8% in 2025. The 2025 Tax Budget estimates the cost per hour of service at \$169.83, which is 5.5% above the FY 2024 estimate. This indicator is not projected to be met.

CAPITAL EFFICIENCY

Debt Service Coverage: The Debt Service Coverage is a ratio measuring the Authority's ability to meet annual interest and principal payments on outstanding debts. The 2025 Tax Budget estimates the debt service coverage at 4.9, above Board policy minimum of 1.50. The authority reduced its debt by \$57.7 million in 2021, and total debt will be paid off by the end of 2030.

Sales & Use Tax Contribution to Capital: Current Board policy requires that a minimum of 10.0% of the Sales & Use Tax receipts be applied to the capital needs of the Authority. These funds are used to meet the Authority's annual debt service payments, to provide the local match for grant funded capital projects, and to fund Routine Capital and Asset Maintenance projects included within the RTA Capital Fund. At 10.1%, this indicator is projected to be met.

Capital Maintenance to Expansion: Several years ago, the Board recognized that our emphasis must be to maintain the Authority's existing capital assets and revised this objective to a policy guideline of 75% to 90% of the Authority's capital projects. At 100% for the FY 2025 Tax Budget and each of the out years, the Authority's emphasis continues to be the maintenance of existing assets as opposed to expansion projects. Given the financial constraints of recent years, this continues to remain the best course as the Authority continues its bus replacement program, equipment upgrades, rail vehicle replacements, and rail infrastructure improvements.

CAPITAL IMPROVEMENT FUNDS

The Authority's Capital Improvement Funds are used to account for the acquisition, construction, replacement, repair and rehabilitation of major capital facilities and equipment. The Capital Improvement Funds are composed of grant funded projects as well as 100% locally funded items. The funds needed to meet the grant requirements typically require a 20% local match. Financial resources are appropriated to sustain capital infrastructure needs through retention of investment earnings, contributions from Sales and Use Tax proceeds, as well as issuance of debt.

Transportation is a capital-intensive business and the Authority's focus has been on addressing various State of Good Repair (SOGR) projects. The Authority's priorities continue to include replacement of rail vehicles and maintenance and repair of rail infrastructure, including tracks, bridges, signals, and substations. Additional funding has been transferred in prior years above

the 10% contributions to capital policy goal in order to tackle some of these projects. For the next three years, the funds received from Preventive Maintenance (PM) reimbursement will be reduced to \$1 million. This will enable funding to be used for unfunded or underfunded capital projects.

Financial resources are allocated through a comprehensive review process of capital projects, which prioritizes funding of requested projects. It continues to maintain the focus of the Authority's long-term strategic capital plan, as well as to address the existing and future financial and operational issues.

The 2025 through 2029 estimated capital expenditures are predicated on year-to-date outlays, obligations and projected commitments, as well as the approved five-year Capital Improvement Plan. Projected grant revenues include current, as well as, expected traditional and non-traditional grant awards and are based on a continuation of current FAST Act funding levels. Over the next ten years, the Authority's capital program will continue to focus on various SOGR projects throughout the system. These include the on-going bus replacement program, rail car purchases, rehabilitation of light rail track and rail infrastructure of signal and overhead catenary systems, and various facility improvement and upgrades.

BOND RETIREMENT FUND

The General Fund is the source of funds necessary to make the principal and interest payments for the Authority's outstanding debt. Such transfers represent the debt service less the investment income earned in the Bond Retirement Fund. Debt service payments of \$9.5 million are expected in the FY 2025 Tax Budget. The Authority has its debt rated highly by the major rating agencies (AA+ from Standards & Poor and Aa1 from Moody's).

INSURANCE FUND

The Insurance Fund includes a combination of self and purchased insurance coverages. Projected activities in the FY 2025 Tax Budget include a combined \$3.1 million for premium outlays and payments for the settlement of claims. This will require a \$3.0 million transfer from the General Fund to maintain the recommended fund balance set by the Authority's Risk Management Department.

SUPPLEMENTAL PENSION FUND

Authority employees who were employed by predecessor transit systems are covered by supplemental benefit payments. Activities expected within this fund in the FY 2025 Tax Budget include \$1,100 of revenue from investment income, projected benefit payments of \$9,000 for remaining employees. An actuarial study is performed every two years to assess the adequacy of these funds. The authority retains a fund balance at the levels recommended by the actuarial evaluation.

LAW ENFORCEMENT FUND

In 1988, RTA became involved with the FBI Cleveland Transnational Organized Crime Western Hemisphere Task Force (“Task Force”) (formerly known as the Northern Ohio Law Enforcement Task Force (NOLETF), which was formerly known as the Caribbean/Gang Task Force). The Task Force is a multi-jurisdictional team of law enforcement personnel. RTA's involvement is assisting other policing agencies with intelligence and/or investigations. In addition to the benefits of intelligence gathering and improved inter-department relations, RTA derives revenue from seized and confiscated monies and/or properties of those convicted and prosecuted by the Task Force.

Revenue obtained through the Task Force may be expended for non-budgeted items for law enforcement purposes. Furthermore, certain guidelines have been instituted by the State Attorney General's Office for the reporting and disbursement of funds. Total expenditures for FY 2025 are projected at \$25,000.

RESERVE FUND

In 2017, the Authority established the Reserve Fund to help protect the Authority from future economic downturns and cost increases. The Reserve Fund retains funding for six accounts: Compensated Absences, Fuel, Hospitalization, Rolling Stock, an account for budget years with 27 pay periods, and Revenue Stabilization. A transfer of \$10.0 million is projected in the FY 2025 Tax Budget for replacement of rail vehicles, which will be transferred to the Development Fund for the Rail Car Replacement Project. A transfer of \$0.9 million is projected for 27th pay period expenses.

A transfer of \$4.5 million from the Reserve Fund to the General Fund will be made to pay for the 27th pay for hourly employees and a transfer of \$36.5 million will be made to the General Fund from the Revenue Stabilization fund, ensuring a 1-month operating reserve at year-end.

General Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Operating Revenues			
Passenger Fares	\$ 30,186,615	\$ 30,941,572	\$ 31,715,111
Advertising & Concessions	2,061,751	2,061,751	2,061,751
Naming Rights	485,300	485,300	485,300
Investment Income	1,000,000	1,000,000	950,000
Total Operating Revenues	33,733,666	34,488,623	35,212,162
Non-Operating Revenues			
Sales & Use Tax	270,917,737	275,794,256	280,758,553
Reimbursed Expenditures	5,000,000	8,270,000	8,900,000
Other Non-Operating Revenue	1,500,000	1,500,000	1,500,000
Transfer from Reserve Fund - 27th Pay	4,500,000	-	-
Transfer from Reserve Fund - Revenue Stabilization	36,500,000	31,500,000	32,500,000
Total Non-Operating Revenues	318,417,737	317,064,256	323,658,553
Total Revenues	352,151,403	351,552,879	358,870,715
Expenditures			
Operating Expenditures			
Salaries & Overtime	173,213,107	173,601,063	177,914,009
Payroll Taxes & Fringes	61,450,194	61,905,418	63,546,329
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	8,615,334	9,070,136	9,153,286
Utilities	4,447,036	3,943,880	3,996,992
Inventory	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	26,168,677	26,299,021	26,382,693
Purchased Transportation	15,000,000	14,500,000	14,700,000
Other Expenditures	7,820,651	7,778,327	7,743,320
Total Operating Expenditures	309,714,999	310,097,845	316,436,629
Revenues less Operating Expenses	42,436,404	41,455,034	42,434,086
Transfers to Other Funds			
Transfers to/from Insurance Fund	3,000,000	3,000,000	3,000,000
Transfers to/from Reserve Fund	10,878,615	10,878,615	10,878,615
Transfers to/from Capital			
Transfers to/from Bond Retirement Fund	9,184,042	6,731,911	2,902,958
Transfers to/from Capital Improvement Fund	18,074,438	21,014,221	25,339,603
Total Transfers to/from Capital	27,258,480	27,746,132	28,242,561
Total Transfers to/from Other Funds	41,137,095	41,624,747	42,121,176
Total Expenditures	350,852,094	351,722,592	358,557,805
Net Increase (Decrease)	1,299,309	(169,713)	312,910
Beginning Balance	24,858,074	26,157,384	25,987,671
Projected Ending Balance	\$ 26,157,384	\$ 25,987,671	\$ 26,300,581
# Months Reserves - Estimated	1.0	1.0	1.0

Financial Policy Goals

			Goal	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Operating Efficiency	Operating Ratio	Ratio that shows the efficiency of management by comparing operating expenses to operating revenues. Operating Revenues divided by Operating Expenses. Operating Revenues include Passenger Fares, Advertising & Concessions, Naming Rights, Investment Income, Other Revenue	$\geq 25\%$	10.9%	11.2%	11.2%
	Cost per Service Hour	Measure of service efficiency. Total Operating Expenses (less force account labor) divided by Total Service Hours		169.83	170.04	173.52
	Growth per Year	Cost of delivering a unit of service (Cost per Hour), compared to the prior year; to be kept at or below the rate of inflation	\leq Rate of Inflation 2.8%	5.5%	0.1%	2.0%
	Operating Reserve (months)	Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses	≥ 1 month	1.0	1.0	1.0
Capital Efficiency	Debt Service Coverage	The measure of the Authority's ability to meet annual interest and principal payments on outstanding debt.	≥ 1.5	4.9	5.7	12.7
	Sales Tax Contribution to Capital	Sales tax revenues to be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments.	$\geq 10\%$	10.1%	10.1%	10.1%
	Capital Maintenance to Expansion	The capital program requires a critical balance between maintenance of existing assets and expansion efforts.	79% - 90%	100%	100%	200%

Capital Improvement Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Federal / State Revenues			
Federal Capital Grants	\$ 120,939,575	\$ 102,611,773	\$ 82,547,867
State Capital Grants	20,000,000	20,000,000	15,000,000
Total Federal / State Revenues	140,939,575	122,611,773	97,547,867
Other Revenue			
Investment Income	1,100,000	1,100,000	1,100,000
Other Revenue	34,500,000	25,000,000	-
Total Other Revenue	35,600,000	26,100,000	1,100,000
Transfers			
Transfer from General Fund	18,074,438	21,014,221	25,339,603
Transfer from Reserve Fund	10,000,000	10,000,000	10,000,000
Total Transfers	28,074,438	31,014,221	35,339,603
Total Revenue	204,614,013	179,725,994	133,987,470
Expenditures			
Capital Outlay			
Capital Outlay - Development Fund	177,102,767	130,983,952	116,940,343
Asset Maintenance	2,560,000	2,560,000	2,560,000
Routine Capital	2,078,000	1,990,500	1,940,000
Total Capital Outlay	181,740,767	135,534,452	121,440,343
Total Expenditures	181,740,767	135,534,452	121,440,343
Net Increase (Decrease)	22,873,246	44,191,542	12,547,127
Beginning Balance	260,016,915	282,890,161	327,081,703
Projected Ending Balance	\$ 282,890,161	\$ 327,081,703	\$ 339,628,830

Bond Retirement Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Transfers			
Transfer from the General Fund	\$ 9,184,042	\$ 6,731,911	\$ 2,902,958
Total Transfers	9,184,042	6,731,911	2,902,958
Other Revenues			
Investment Income	100,000	100,000	100,000
Total Other Revenues	100,000	100,000	100,000
Total Revenues	9,284,042	6,831,911	3,002,958
Expenditures			
Debt Service			
Principal	8,355,000	6,935,000	2,795,000
Interest	1,115,500	697,750	351,000
Total Debt Service	9,470,500	7,632,750	3,146,000
Other Expenditures			
Other Expenditures	1,500	1,500	1,500
Total Other Expenditures	1,500	1,500	1,500
Total Expenditures	9,472,000	7,634,250	3,147,500
Net Increase (Decrease)	(187,958)	(802,339)	(144,542)
Beginning Balance	1,381,714	1,193,756	391,417
Projected Ending Balance	\$ 1,193,756	\$ 391,417	\$ 246,875

Insurance Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Transfer from General Fund	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Investment Income	100,000	100,000	100,000
Total Revenues	3,100,000	3,100,000	3,100,000
Expenditures			
Claims and Premium Outlay	3,100,000	3,300,000	3,500,000
Total Expenditures	3,100,000	3,300,000	3,500,000
Net Increase (Decrease)	-	(200,000)	(400,000)
Beginning Balance	6,346,957	6,346,957	6,146,957
Projected Ending Balance	\$ 6,346,957	\$ 6,146,957	\$ 5,746,957

Supplemental Pension Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Investment Income	\$ 30,000	\$ 30,000	\$ 20,000
Total Revenues	30,000	30,000	20,000
Expenditures			
Benefit Payments	9,000	9,000	9,000
Total Expenditures	9,000	9,000	9,000
Net Increase (Decrease)	21,000	21,000	11,000
Beginning Balance	1,473,936	1,464,936	1,485,936
Projected Ending Balance	\$ 1,494,936	\$ 1,485,936	\$ 1,496,936

Law Enforcement Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Law Enforcement Revenue	\$ 15,000	\$ 15,000	\$ 10,000
Investment Income	5,000	5,000	4,000
Total Revenues	20,000	20,000	14,000
Expenditures			
Capital & Related Expenditures	25,000	25,000	25,000
Total Expenditures	25,000	25,000	25,000
Net Increase (Decrease)	(5,000)	(5,000)	(11,000)
Beginning Balance	326,321	316,321	311,321
Projected Ending Balance	\$ 321,321	\$ 311,321	\$ 300,321

Reserve Fund Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Transfers			
Transfer from GF for Rolling Stock Reserve	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615
Total Transfers	10,878,615	10,878,615	10,878,615
Other Revenue			
Investment Income	8,000,000	6,000,000	5,000,000
Total Other Revenue	8,000,000	6,000,000	5,000,000
Total Revenues	18,878,615	16,878,615	15,878,615
Expenditures			
Transfers			
Transfer to RTA Development Fund for Rolling Stock Reserve	10,000,000	10,000,000	10,000,000
Transfer to GF for 27th Pay	4,500,000	-	
Transfer to GF for Revenue Stabilization	36,500,000	31,500,000	32,500,000
Total Transfers	51,000,000	41,500,000	42,500,000
Total Expenditures	51,000,000	41,500,000	42,500,000
Net Increase (Decrease)	(32,121,385)	(24,621,385)	(26,621,385)
Beginning Balance	169,432,480	137,311,095	\$ 112,689,710
Projected Ending Balance	\$ 137,311,095	\$ 112,689,710	\$ 86,068,325

All Funds Balance Analysis

	FY 2025 Tax Budget	FY 2026 Plan	FY 2027 Plan
Revenues			
Operating Revenues			
Passenger Fares	\$ 30,186,615	\$ 30,941,572	\$ 31,715,111
Advertising & Concessions	2,061,751	2,061,751	2,061,751
Naming Rights	485,300	485,300	485,300
Investment Income	10,335,000	8,335,000	7,250,000
Total Operating Revenues	43,068,666	41,823,623	41,512,162
Non-Operating Revenues			
Sales & Use Tax	270,917,737	275,794,256	280,758,553
Reimbursed Expenditures	5,000,000	8,270,000	8,900,000
Federal Revenue	120,939,575	102,611,773	82,547,867
State Revenue	20,000,000	20,000,000	15,000,000
Other Non-Operating Revenue	36,015,000	26,515,000	1,510,000
Total Non-Operating Revenues	452,872,312	433,191,029	388,716,420
Total Revenues	495,940,978	475,014,652	430,228,582
Expenditures			
Operating Expenditures			
Salaries & Overtime	173,213,107	173,601,063	177,914,009
Payroll Taxes & Fringes	61,450,194	61,905,418	63,546,329
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	8,615,334	9,070,136	9,153,286
Utilities	4,447,036	3,943,880	3,996,992
Inventory	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	26,168,677	26,299,021	26,382,693
Purchased Transportation	15,000,000	14,500,000	14,700,000
Other Expenditures	7,820,651	7,778,327	7,743,320
Total Operating Expenditures	309,714,999	310,097,845	316,436,629
Non-Operating Expenditures			
Capital Outlay	181,740,767	135,534,452	121,440,343
Debt Service	9,470,500	7,632,750	3,146,000
Other Expenditures	3,135,500	3,335,500	3,535,500
Total Non-Operating Expenditures	194,346,767	146,502,702	128,121,843
Total Expenditures	504,061,766	456,600,547	444,558,472
Net Increase (Decrease)	(8,120,788)	18,414,105	(14,329,890)
Beginning Balance	463,861,397	455,705,609	474,119,714
Estimated Available Ending Balance	\$ 455,740,609	\$ 474,119,714	\$ 459,789,824



Greater Cleveland
Regional Transit Authority