


2025 TRANSMITTAL LETTER

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

Date: October 29, 2024

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

Subject: Transmittal Letter & Proposed
FY 2025 Budget in Brief

EXECUTIVE SUMMARY

December 2024 marks the beginning of the 50th Anniversary of The Greater Cleveland Regional Transit Authority (GCRTA). Public transportation in Cleveland started in 1818 with a stagecoach that ran between Cleveland and Painesville. Between 1834 and 1842, the first rail line, between Newburgh and Cleveland, operated along Euclid Avenue from Public Square to Wade Park. Additional transportation systems were created between 1841 and 1870. In 1884, the first commercial electric railway was created in the United States and ran in Cleveland, growing to 425 miles of streetcar lines. Our light rail line began in 1913 when brothers O.P. and M.J. Van Sweringen developed the City of Shaker Heights. They connected the suburb and their Terminal Tower project with a private right-of-way light rail, now called the Green Line and Blue Line. In July 1930, the Terminal Tower opened and Shaker Rapid began using the Cleveland Union Terminal.

In March 1955 the Cleveland Transit System (currently our Red Line) began service between Cleveland Union Terminal to Windermere. From August 1955 through 1969, the Red Line was extended west. In 1968, a federal grant financed a four-mile rail extension to Hopkins International Airport, making Cleveland the first city in the Western Hemisphere to offer direct rapid transit service to a major airport. In December 1974, legislation adopted by the Cuyahoga County Commissioners and Cleveland City Council established the Greater Cleveland Regional Transit Authority, commonly known as "RTA." In September 1975, the Cleveland and Shaker services merged and RTA assumed control of all Cleveland Transit System (CTS) bus routes and both the CTS and Shaker Rapid rail lines. Leonard Ronis was named the first General Manager.

We now operate 60 rail vehicles over 65 miles of track and over 300 buses to provide quality service to Cuyahoga County. Our rail vehicles are over 40 years old and were first used in 1980. Two orders have been placed between 2023 and 2024 to purchase 30 new low/high floor light rail vehicles to replace the heavy rail and light rail vehicles. These new rail cars will start to arrive in mid-2026. An additional option to purchase another 18 rail vehicles is currently in discussions and will be exercised in 2024 pending board approval. Additional options may be issued in 2025 to purchase up to 12 more rail vehicles.

The Authority continues to prioritize projects and opportunities that promote our mission of "Connecting the Community," and the four pillars of our Strategic Plan: Customer Experience, Community Impact, Employee Investment, and Financial Health. Some of the highlights of 2024 include:

Community Impact:

- Transit Police was voted "Agency of the Month" by the Ohio Association of Chiefs of Police and the Law Enforcement Foundation.
- Senator Jerry Cirino, Vice Chair of the Senate Finance Committee, visited the Rail District
- Mayor Paul Koomar was elected President of the Board of Trustees and Ms. Lauren Welch elected Vice President
- Ms. Emily Garr Pacetti and Ms. Anastasia A. Elder were sworn in as new Board members
- American Public Transportation Association Rail Conference was held in Cleveland, hosted by GCRTA

Customer Experience:

- April was a busy month:
 - Solar Eclipse viewing destination area in Cleveland
 - NCAA Women’s basketball finals
 - Guardian’s home opener
- New Rail Cars were purchased
- Customer Survey Results collected, reviewed, and GCRTA began implementing recommendations

Employee Investment:

- New learning center built in the Main Office building
- Transit Ambassador dedicated space built in Tower City rotunda
- Positive Impact Mentoring Program Podcast held in January
- Podcast area being built
- Rail Rodeo and Bus Rodeo held in August and October, respectively

Financial Health:

- Ohio Department of Transportation (ODOT) awarded GCRTA \$9.5M for new rail cars through Ohio Transit Partnership Program (OTP₂)
- ODOT and Environmental Protection Agency (EPA) awarded GCRTA \$2.3M for new low emissions buses through the Diesel Emission Reduction Grant (DERG)
- Federal Transit Administration (FTA) awarded GCRTA \$10.6M for electric buses and chargers through the Infrastructure Investment and Jobs Act (IIJA Lo/No Emissions Grant); for up to 10 buses and 3 charging stations

This year has been a time of progress and accomplishment. GCRTA remains committed to its Mission Statement: “Connecting the Community.” Through our commitment to serving our customers, we continue to improve the quality of life for all residents of Northeast Ohio.

2025 PROPOSED BUDGET IN BRIEF

The Proposed FY 2025 Budget supports the daily operating activities of the Authority. The following pages discuss the assumptions used in developing the Proposed FY 2025 Budget.

INFLATION

Inflation has steadily dropped from the peak of 9.1% in July 2022 to 2.4% in September 2024. For 2025, the Federal Open Market Committee (FOMC) is projecting core inflation to continue falling to about 2.2% at the end of 2025. Supply chain disruptions are expected to diminish by the end of 2024.

INTEREST RATES

Fitch Ratings expects the GDP to slow to 2.5% in 2025. The Federal Reserve has reacted slowly with the interest rate. Economists are expecting this same trend to continue in 2025.

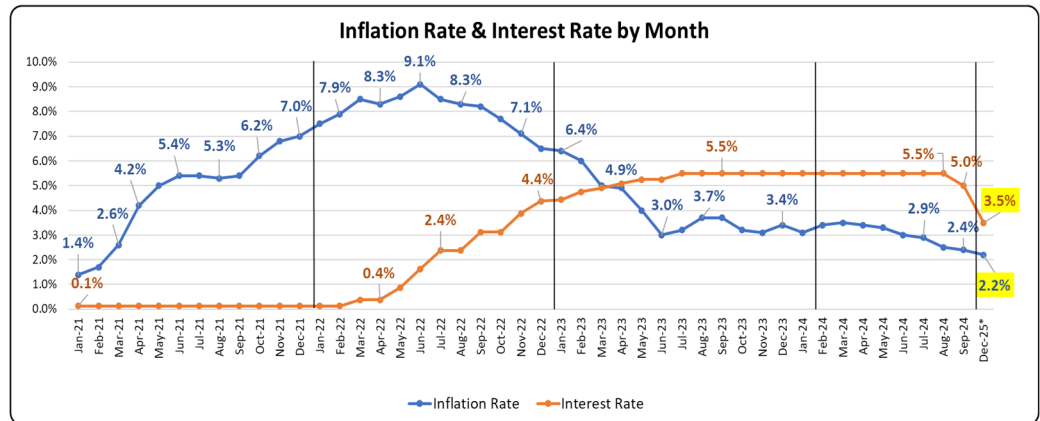
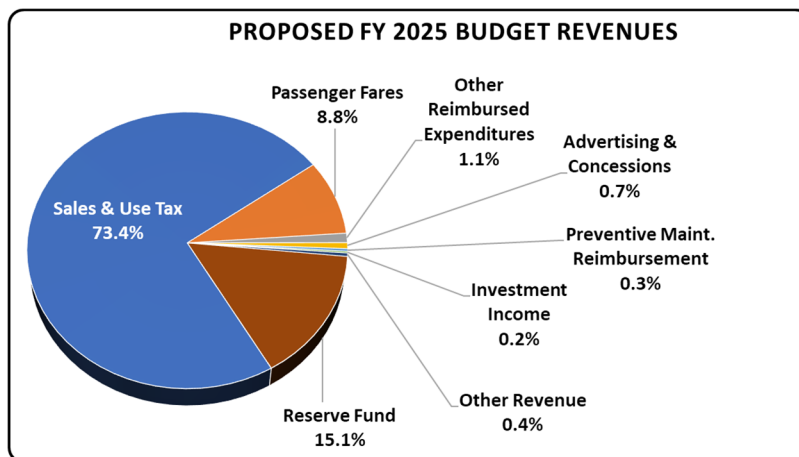


Figure 1

Revenues



2025 Budget Revenues	
Passenger Fares	\$ 32,000,000
Advertising & Concessions	2,547,300
Sales & Use Tax	267,500,000
Investment Income	1,000,000
Other Revenue	1,500,000
Preventive Maint. Reimbursement	1,000,000
Other Reimbursed Expenditures	4,000,000
Reserve Fund	55,000,000
Total	\$ 364,547,300

Figure 2

Total Revenues are budgeted at \$364.5 million. Sales Tax was budgeted to increase by 2.5% in 2024, however, actual receipts were near 2023 levels. For 2025, Sales Tax receipts are budgeted 1.5% above 2024 projections, \$267.5 million, or 73.4% of total revenue. In 2024, Passenger Fares has increased 11%, compared to 2023 receipts. Compared to 2019 levels, 2024 fares are down 16%. For 2025, Passenger Fares are budgeted to increase about 3% compared to 2024 projections. Transfers from the Reserve Fund amounting to 15.1% of all budgeted revenues, include \$4.5 million for the 27th pay for hourly employees and \$50.5 million for revenue stabilization, to ensure the 1-month ending balance at year-end. If Sales & Use Tax or Passenger Fares is higher than budgeted, we may not need the entire \$50.5 million. The total amount needed will be determined throughout the year.

Ridership in the pre-pandemic 2019 totaled 32.1 million riders. Ridership through September 2024 is up 11.2% compared to ridership through September 2023, and down 23.2% compared to the same period in 2019. Ridership for 2025 is projected at 25.94 million riders, an increase of 3% compared to 2024. For 2026 and 2027, ridership is projected to increase 3% each year. See figure 3.

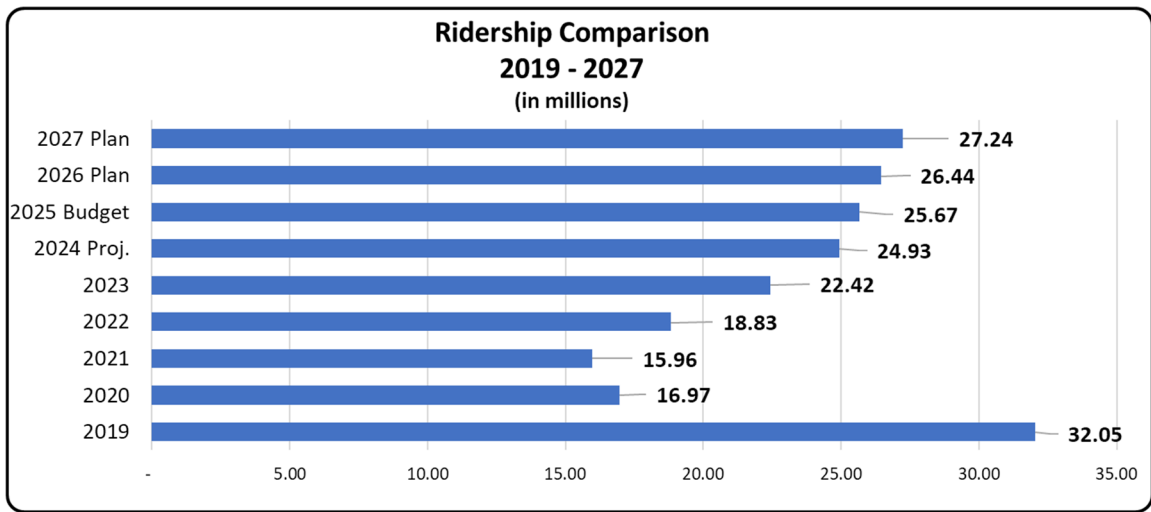


Figure 3

Student ridership increased in 2024 as students continued the return to in-class learning. A new contract was signed with Cleveland Metropolitan School District (CMSD) for the 2024-2025 school year. U Pass agreements were also signed with several colleges and universities.

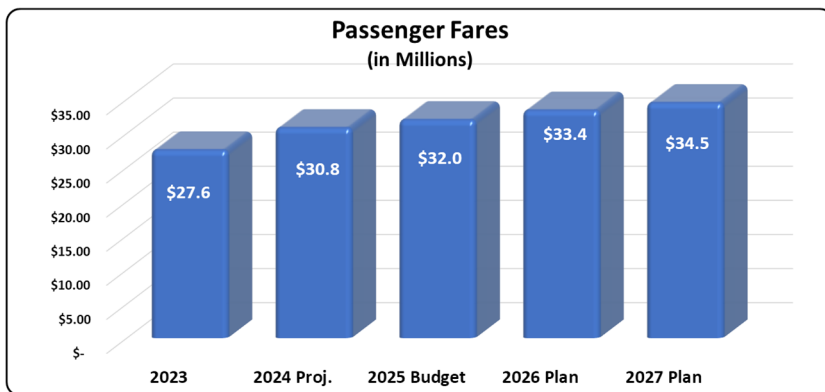


Figure 4

Passenger Fares are budgeted at \$32.0 million, a \$1.2 million increase from 2024 estimates. In 2024, through September, Passenger Fares were still 16.3% below 2019 levels (pre-COVID). For 2026 and 2027, Passenger Fares are estimated at \$33.4 million and \$34.5 million, respectively.

The Authority receives revenue from a 1.0% Sales & Use Tax on personal property collected in Cuyahoga County. Sales tax revenue had maintained a steady growth after the pandemic through 2023. Sales tax receipts in 2024 have been stable through October and were 0.6% above 2023. Sales tax revenue is budgeted at \$267.5 million in 2025, a 1.5% increase from the 2024 estimate. For 2026 and 2027, sales tax is projected at \$272.0 million and \$276.1 million, respectively, reflecting a 1.5% increase each year. See Figure 5.

Sales & Use Tax is the largest source of operating revenues for the Authority.

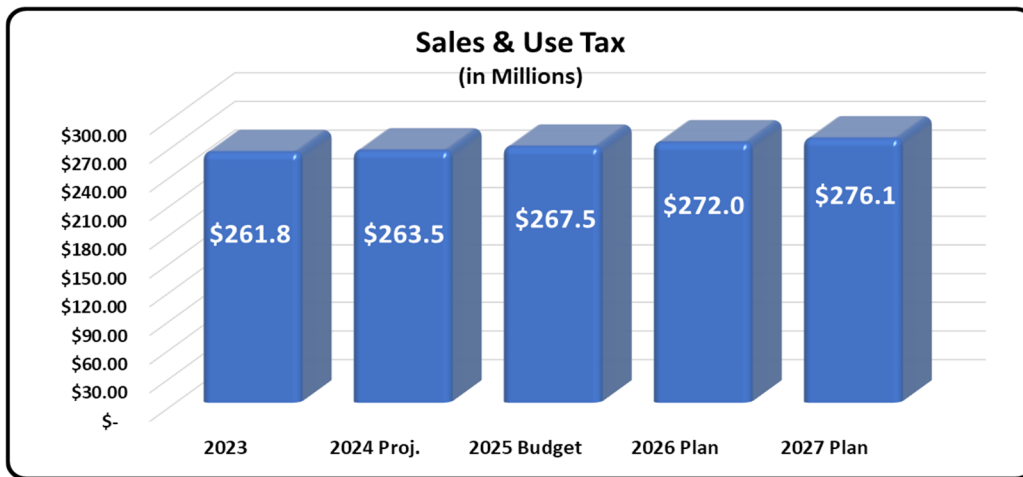


Figure 5

Advertising & Concessions is composed of two sub-categories: advertising and naming rights. The naming rights includes Cleveland Clinic Foundation and University Hospitals for the HealthLine and area shelters; Cleveland State University for the CSU Line; MetroHealth for MetroHealth Line; and Cuyahoga Community College (Tri-C) for E. 34th Rapid Transit Station for HealthLine Shelters.

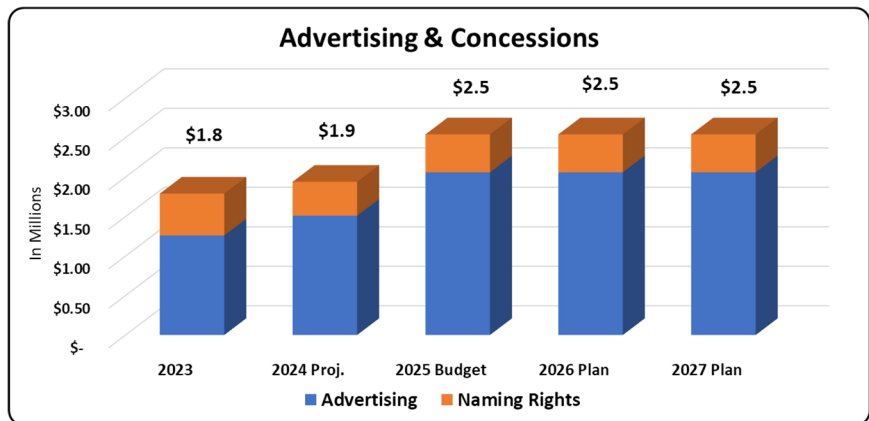


Figure 6

GCRTA has an advertising contract for revenue. Advertising & Concessions category is budgeted at \$2.5 million in 2025. Advertising & Concessions revenue is projected at the same level for 2026 and 2027.

Investment income is budgeted at \$1 million in 2025. In 2024, the Authority is currently receiving an average of 4.49% on its cash investments and expectations in 2025 remain positive. Investment Income is budgeted at \$1 million for 2026 and 2027, respectively, as interest rates are expected to decline slowly.

Preventative Maintenance (PM) reimbursements were reduced in 2021 to \$1 million each year in order to fund much needed but unfunded capital projects. The PM Reimbursements for FY 2024 were increased to \$7.7 million as older grants were closed. Other reimbursements in 2024 included reimbursements for fuel tax, fares for voting day through the Cleveland Foundation, force account labor reimbursements, and other miscellaneous receipts. For 2025, PM reimbursement is held at \$1 million and other reimbursements are budgeted at \$4 million. For 2026, PM and other reimbursements are planned at \$10 million and \$3.3 million, respectively. In 2027, PM and other reimbursements are planned at \$20 million and \$3.9 million, respectively. See Figure 7.

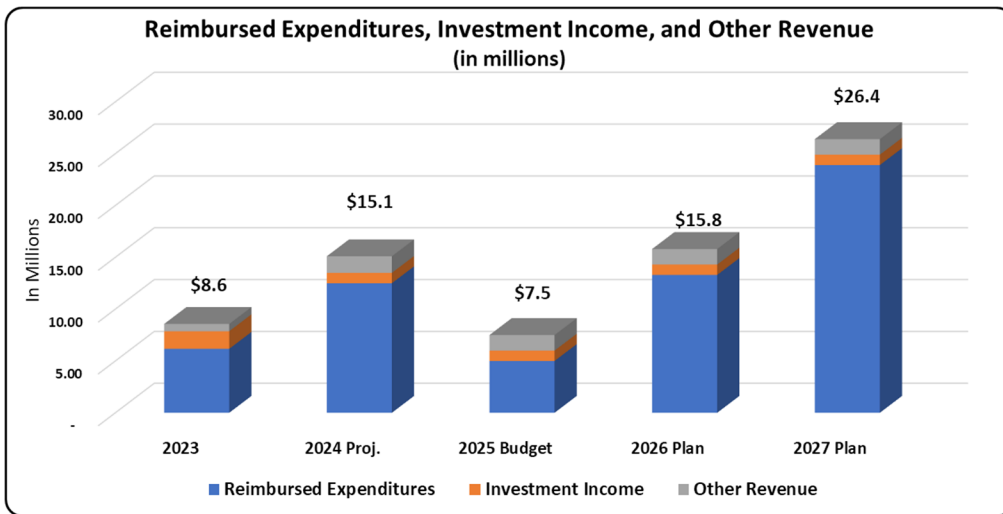


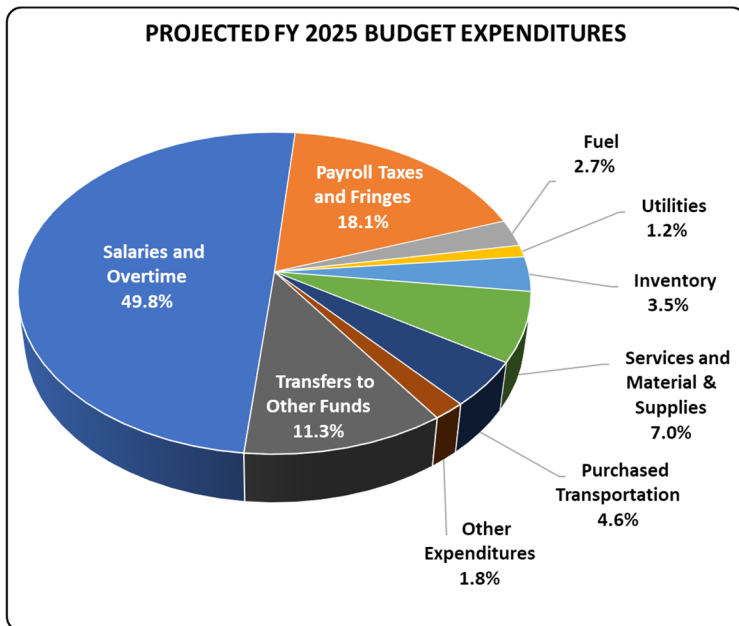
Figure 7

Other Revenue is budgeted at \$1.5 million for 2025 through 2027. Other Revenue includes various miscellaneous receipts from contractors, hospitalization, claim reimbursements, rent, and any salvage sales.

In 2021 and 2022, the Authority made strategic decisions to set aside a total of \$135 million in the Reserve Fund for Revenue

Stabilization. This fund was created to support the operations by transferring funds back to the General Fund when needed to make up for the decline in revenues. This approach will also ensure that the Authority complies with the one-month year-end reserve Board Policy goal. In 2024, a transfer to the General Fund of \$30 million was budgeted to ensure the one-month ending balance. For FY 2025, a transfer of \$50.5 million is budgeted. If Sales and Use Tax and Passenger Fare revenues are better than budgeted, the transfer to the General Fund may be reduced. For FYs 2026 and 2027, transfers to the General Fund of \$39 million and \$24.5 million, respectively, are planned.

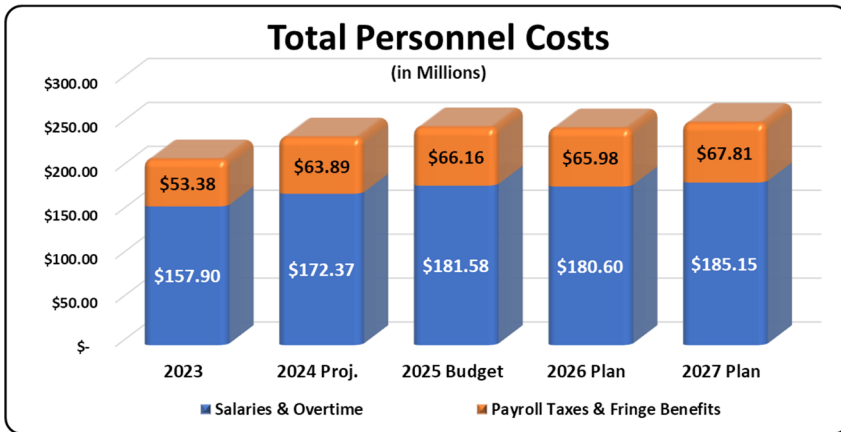
Expenditures



Salaries and Overtime	\$	181,582,000
Payroll Taxes and Fringes		66,164,000
Fuel (Diesel, CNG, Prop. Pwr., Gas)		9,867,000
Utilities		4,286,000
Inventory		13,000,000
Services and Material & Supplies		25,528,000
Purchased Transportation		16,697,000
Other Expenditures		6,678,000
Transfers to Other Funds		41,137,095
Total	\$	364,939,095

Figure 8

The total expenditures for FY 2024 are budgeted at \$364.9 million. This includes \$323.8 million for the Operating expenditures and \$41.1 million for required transfers to other funds. Total expenditures for 2026 and 2027 are estimated at \$359.9 million and \$362.4 million, respectively.



Total personnel costs, which includes salaries, overtime, payroll taxes, and fringe benefits, represent 67.9% of the General Fund budget. Salaries for 2025 through 2027 include wage increases for all employees, which are largely contractual.

Figure 9

In 2025, there are 2,423 full-time equivalent (FTE) positions budgeted.

The majority of the budgeted positions are in the Operations Division (approximately 88%), which houses all of the scheduling, planning, maintenance, and operations of the bus and rail fleets, and maintenance of buildings, stations, and infrastructure. Nearly 91% of the positions in the Operations Division are in either the ATU or FOP unions. The other Divisions are more administrative in nature, support the operations, and house 12% of the Authority's positions.

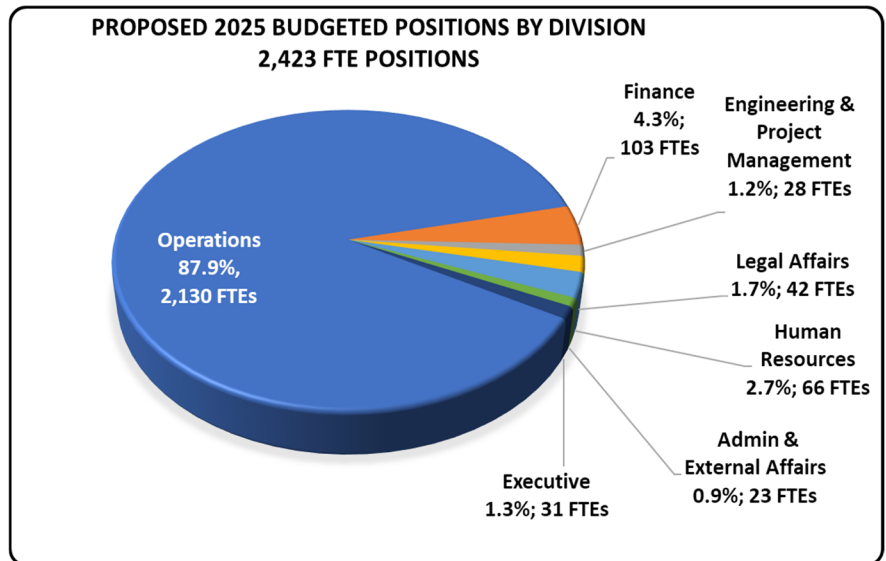


Figure 10

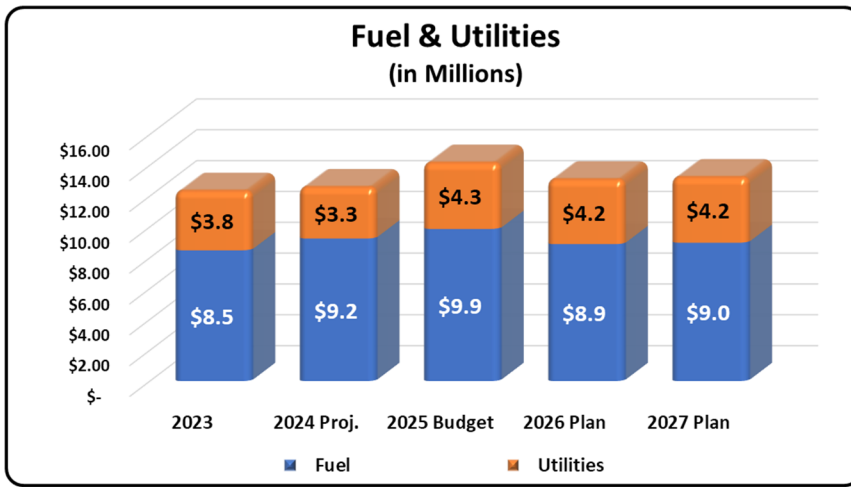


Figure 10

Fuel and utilities total 3.9% of the total budget. Fuel includes diesel, CNG, propulsion power, and gasoline. Utilities include water/sewer, electricity and natural gas for the facilities, as well as telephone, cell phone, and internet services.

Fuel and Utilities are budgeted at \$14.2 million in 2025. Energy and fuel contracts have helped to stabilize fuel costs and will continue to help maintain expenses in 2025 and beyond.

Services, materials, supplies and inventory include all service and maintenance contracts, materials, office supplies, inventory, and supplies for the upkeep of the buildings, stations, and vehicles. These categories represent 10.5% of the operating budget. Inventory is budgeted at \$13 million for 2025. The Supply Chain Management section of Fleet Management has helped the Authority maintain parts for the predictive and preventive maintenance repairs, and other repairs of revenue fleets. The predictive maintenance program began in 2015 under which vehicles are serviced based on a proactive maintenance program, ensuring greater reliability of our bus and rail fleets. Services, Materials & Supplies are budgeted at \$25.5 million and include maintenance and other contractual services and purchases. These purchases include smaller items and one-time purchases not covered under the Inventory program. For 2026 and 2027, these categories is budgeted at \$35.1 million and \$35.2 million, respectively.

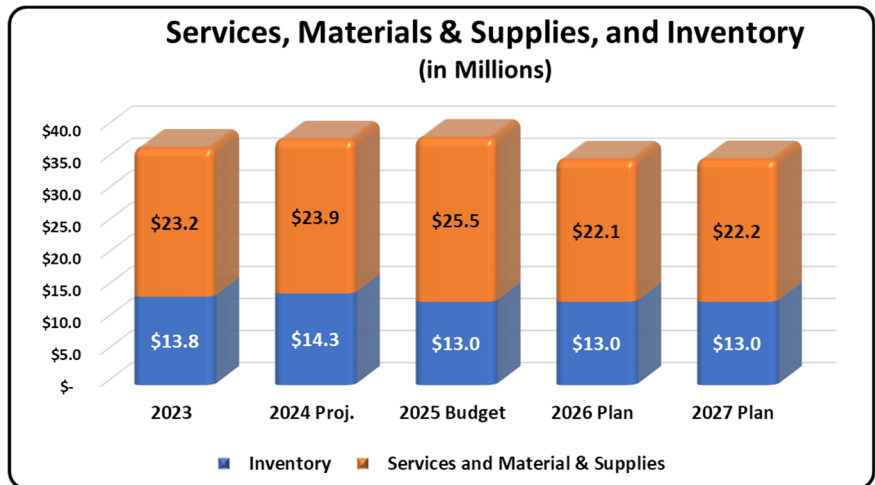


Figure 11

Purchased Transportation represents expenses for the third-party contractors for ADA Paratransit services and pass-through funding from Medina County Transit. The Authority entered into three (3) new contracts in 2023 with Provide-A-Ride, Senior Transportation Connection and GC Logistics. These contracts continue the use of tablets for operators, which display rolling 90 minutes of trips, a connected dispatch system, and a united training program. Purchased transportation was budgeted at \$11.5 million for 2024. Medina County Transit opted to become a rural transit agency in 2025 and requested to pass through all of their remaining federal funding, \$1

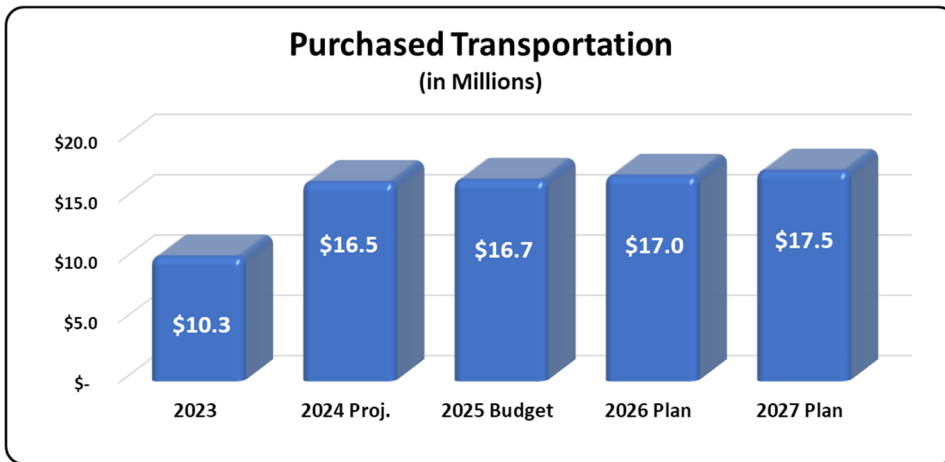


Figure 12

million, in 2024. GCRTA agreed to accept the federal funding and in turn, gave Medina operating funding. This will be the last year for the pass through.

Through September 2024, ridership for Paratransit services increased over 10% and the cost of the contracts increased by \$7 million, compared to 2023. Paratransit ridership is expected to

increase around 3% and Paratransit purchased transportation is budgeted at \$16.7 million in 2025. This represents 4.6% of the operating budget. For 2026 and 2027, Paratransit purchased transportation is budgeted at \$17.0 million and \$17.5 million, respectively.

Other expenditures include workers' compensation costs, insurance premiums, claims payments, travel and training costs, and tuition reimbursement expenses. The Other Expenditures category represents 1.8% of the total operating budget, or \$6.7 million.

Transfers to Other Funds are set asides for specific needs required by various policies. Total transfers to other funds are budgeted at \$41.1 million for FY 2025.

The transfer to the Capital Improvement Fund is to cover the 100% locally funded capital projects in the RTA Capital Fund, and local matches for most

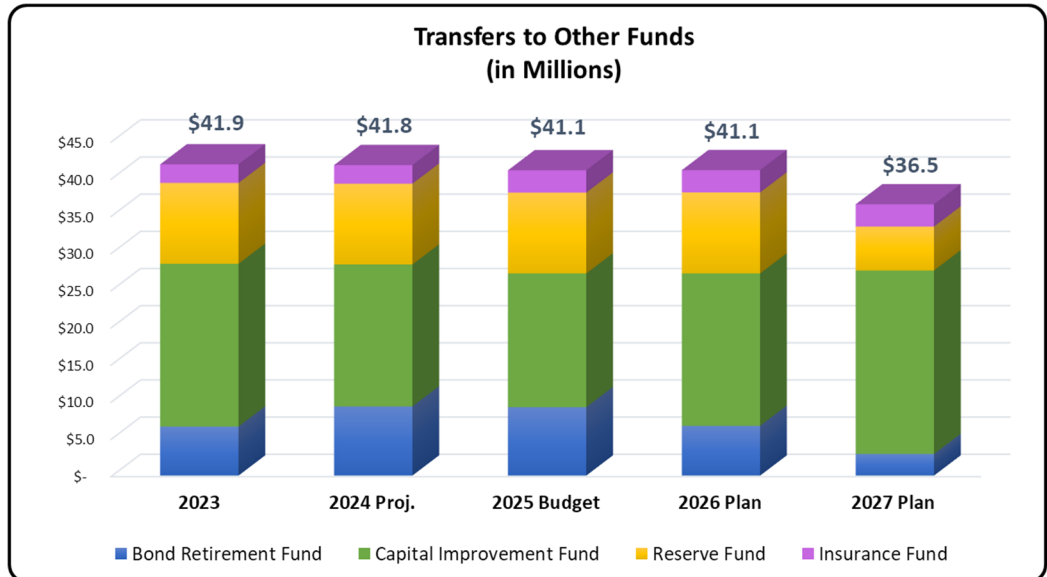


Figure 13

grant-funded projects in the RTA Development Fund. The total contribution to capital is budgeted at \$27.3 million in 2025 and includes the transfers to the Capital Improvement Fund and the Bond Retirement Fund. In FY 2026 and FY 2027, total contributions to capital are projected to be \$27.2 million and \$27.6 million, respectively.

A \$3.0 million transfer to the Insurance Fund is budgeted in FY 2025. This transfer is to cover expected expenses and to maintain the \$5 million required balance. For 2026 and 2027, transfers of \$3 million are projected for each year.

A transfer of \$10.9 million is budgeted in 2025 to the Reserve Fund for 1/12th of the 27th pay for hourly and salary employees, and \$10 million for the replacement of the rail cars. By the end of 2025, GCRTA will have transferred over \$91 million to the Rolling Stock Reserve Fund. For 2026 and 2027, \$10 million and \$5 million, respectively, is planned to be transferred to the Rolling Stock Reserve Fund.

No transfers are budgeted for the Supplemental Pension Fund since the fund has the recommended ending balance.

SERVICE LEVELS

2025 Budgeted Service Levels By Mode Compared to 2024 Budgeted Service Levels by Mode								
Service Mode	Service Hours				Service Miles			
	2024 Budget	2025 Budget	Variance	Percent Variance	2024 Budget	2025 Budget	Variance	Percent Variance
Rail								
Heavy Rail (Red)	143,000	143,000	0	0.0%	2,600,000	2,600,000	0	0.0%
Light Rail (Blue/Green)	53,336	53,336	0	0.0%	756,852	756,852	0	0.0%
Rail Total	196,336	196,336	0	0.0%	3,356,852	3,356,852	0	0.0%
Bus								
Bus Total	1,255,020	1,255,020	0	0.0%	15,066,089	15,066,089	0	0.0%
Sub-Total Bus & Rail	1,451,357	1,451,357	0	0.0%	18,422,941	18,422,941	0	0.0%
Paratransit								
In-House	187,429	223,042	35,613	19.0%	3,249,064	3,066,078	(182,986)	-5.6%
Contract	180,079	196,474	16,395	9.1%	3,121,649	3,068,173	(53,476)	-1.7%
Sub-Total Paratransit	367,508	419,516	52,008	14.2%	6,370,713	6,134,251	(236,462)	-3.7%
Total	1,818,865	1,870,873		2.9%	24,793,654	24,557,192		-1.0%

Figure 14

The Authority implemented the NextGen service in June 2021, in response to the System Redesign Pillar Study, which provided customers with greater frequency of service with greater connectivity. Additionally, NextGen provided more cross-town routes allowing customers increased access to all Cuyahoga County has to offer. No service changes are projected for fixed route service in FY 2025. Paratransit adjusted and adapted to a new business process to increase the number of passengers per hour. For FY 2025, Paratransit is budgeted for a 14.2% increase in service hours and a 3.7% decrease in service miles.

FINANCIAL POLICY GOALS

An **Operating Ratio** of at least 25% is required by the Board. This efficiency ratio compares operating revenues (passenger fares, advertising, and investment income) to operating expenses. With ridership down compared to pre-pandemic levels, the Operating Ratio is budgeted at 11.0% for FY 2025. The Authority is not likely to meet this goal. For 2026 and 2027, the Operating Ratio is projected to be 11.6% and 11.7%, respectively.

The **Growth per Year** is the change in the cost per hour of revenue service from one year to the next. This growth rate is to be kept at or below the level of inflation (for 2025, around 2.2%). This efficiency ratio shows the cost of delivering a unit of service compared to the prior year. Operating expenses are increasing for FY 2025 by 4.4% compared to FY 2024 projections as there is a 27th pay for hourly employees. Service levels are increasing by 2.9% due to Paratransit services. For 2026 and 2027, the growth per year is projected at -1.5% (a decrease - with the absence of the 27th Pay scheduled in 2025) and 2.2%, respectively.

An **Operating Reserve** of at least 1 month (30 days) is required to cover any unforeseen or extraordinary fluctuations. With a 1.0-month Operating Reserve budgeted for FY 2025, the Authority is well prepared. For 2026 and 2027, a 1.0-month Operating Reserve is projected for each year.

Debt Service Coverage is a ratio measuring the Authority’s ability to meet annual interest and principal payments on outstanding debts. The Debt Service Ratio is budgeted at 5.0 for FY 2025, exceeding the Board policy. In 2021, the Authority defeased about half of the debt. In 2025, the Authority has to pay \$9.5 million for principal and interest payments. The current debt will be fully paid off in 2030. For 2026 and 2027, the Debt Service Ratio is projected at 6.2 and 12.8, respectively.

Current Board policy requires that a minimum of 10% of Sales & Use Tax revenue be applied to the capital needs of the Authority. These funds are used to meet the Authority’s annual debt service payments, provide the local match for grant-funded projects, and fund routine capital and asset maintenance projects. For FY 2025, the **Sales Tax Contribution to Capital** is budgeted at 10.2%, with \$27.3 million to be transferred to the Capital Improvement Funds. This goal will be met. A 10% transfer to capital is planned for both 2026 and 2027.

The Board has recognized that an emphasis must be made to maintain the Authority’s existing capital assets. **The Capital Maintenance to Expansion** is to be maintained between 75% and 90%. At 100% for the FY 2025 budget, the Authority’s emphasis continues to be on maintaining and improving its assets rather than an expansion of the system.

Financial Policy Goals

		Goal	FY 2023 Actual	FY 2024 Projection	FY 2025 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	≥ 25%	11.2%	10.9%	11.0%	11.6%	11.7%
	Cost per Service Hour Measure of service efficiency. Total Operating Expenses (less force account labor) divided by Total Service Hours		173.17	170.22	177.57	174.85	178.71
	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	≤ Rate of Inflation 2.2%	2.7%	-1.7%	4.3%	-1.5%	2.2%
	Operating Reserve (months) Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses	≥ 1 month	1.6	1.1	1.0	1.1	1.2
Capital Efficiency	Debt Service Coverage The measure of the Authority's ability to meet annual interest and principal payments on outstanding debt.	≥ 1.5	5.7	5.0	5.0	6.2	12.8
	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.	≥ 10%	10.9%	10.8%	10.2%	10.0%	10.0%
	Capital Maintenance to Expansion The capital program requires a critical balance between maintenance of existing assets and expansion efforts.	79% - 90%	100%	100%	100%	100%	200%

Figure 15

CAPITAL IMPROVEMENT PLAN

Attachment A						
2025 - 2029 CAPITAL IMPROVEMENT PLAN						
COMBINED BUDGET						
PROJECT CATEGORY	2025	2026	2027	2028	2029	TOTAL 2025-2029
Bus Garages	\$0	\$4,815,000	\$2,450,000	\$250,000	\$2,550,000	\$10,065,000
Buses	\$29,207,497	\$17,289,502	\$30,061,518	\$17,815,268	\$17,815,267	\$112,189,053
Equipment & Vehicles	\$12,084,620	\$16,340,500	\$16,290,000	\$16,354,150	\$5,120,000	\$66,189,270
Facilities Improvements	\$14,625,000	\$26,835,000	\$14,025,000	\$7,835,000	\$19,200,000	\$82,520,000
Other Projects	\$34,441,575	\$18,941,576	\$2,841,576	\$2,841,576	\$2,841,576	\$61,907,879
Preventive Maint./Oper. Reimb.	\$1,740,075	\$2,837,874	\$4,322,249	\$7,000,000	\$7,000,000	\$22,900,198
Rail Car Program	\$41,692,000	\$20,500,000	\$13,750,000	\$14,250,000	\$9,552,867	\$99,744,867
Rail Projects	\$47,650,000	\$27,600,000	\$37,325,000	\$19,096,867	\$11,119,000	\$142,790,867
Transit Centers	\$300,000	\$375,000	\$375,000	\$375,000	\$375,000	\$1,800,000
TOTALS	\$181,740,767	\$135,534,452	\$121,440,343	\$85,817,861	\$75,573,710	\$600,107,134

Figure 16

The Capital Improvement Plan (CIP) for 2025-2029 was approved by the Board of Trustees on May 21, 2024. The CIP provides for the purchase, maintenance, and improvement of the Authority's capital assets through a programmed allocation of available financial resources. The capital assets of the Authority are varied and include such items as buses, rail cars, rail right-of-way infrastructure, facilities, equipment, non-revenue vehicles, and other capital assets needed to support the on-going operations of the Authority. The life cycle of these capital assets extends over a period of years and effective capital improvement planning provides the framework for scheduling improvements based on the availability of resources, the condition of assets, and the priorities among submitted capital projects. The capital-intensive nature of public transportation makes long-term financial planning, as well as effective implementation and completion of programmed capital projects on a timely basis, indispensable.

In 2021, a strategic decision was made to transfer the preventive maintenance reimbursements to address necessary capital projects that remained unfunded or underfunded. This decision continues through FY 2026. The Authority's priorities include replacement of rail vehicles, maintenance, and repair of rail infrastructure – including tracks, signals, bridges, and substations. Financial resources are allocated through a comprehensive capital project review process, which prioritizes funding of requested capital projects. It continues to maintain the focus of the Authority's long-term capital strategic plan, as well as reflecting on existing and future financial and operational constraints facing the Authority.

The FY 2025-2029 capital expenditures are predicated on year-to-date outlays, obligations, and projected commitments, as well as the approved 5-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 10 years, the Authority’s capital program will continue to focus on various State of Good Repair (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, and various facility improvements and upgrades.

General Fund Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Operating Revenues				
Passenger Fares	\$ 30,656,522	\$ 32,000,000	\$ 33,400,000	\$ 34,500,000
Advertising & Concessions	1,579,775	2,062,000	2,062,000	2,062,000
Naming Rights	432,800	485,300	485,300	485,300
Investment Income	1,013,672	1,000,000	1,000,000	950,000
Total Operating Revenues	33,682,769	35,547,300	36,947,300	37,997,300
Non-Operating Revenues				
Sales & Use Tax	263,529,810	267,500,000	272,000,000	276,100,000
Reimbursed Expenditures	12,538,128	5,000,000	13,270,000	23,900,000
Other Non-Operating Revenue	1,625,336	1,500,000	1,500,000	1,500,000
Transfers from the Reserve Fund - Other Sub-Funds	1,644,837	4,500,000	-	-
Transfer from Reserve Fund - Revenue Stabilization	30,000,000	50,500,000	39,000,000	24,500,000
Total Non-Operating Revenues	309,338,111	329,000,000	325,770,000	326,000,000
Total Revenues	343,020,880	364,547,300	362,717,300	363,997,300
Expenditures				
Operating Expenditures				
Salaries & Overtime	172,527,000	181,582,000	180,598,230	185,151,874
Payroll Taxes & Fringes	63,509,960	66,164,000	65,979,520	67,810,896
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	9,300,000	9,867,000	8,882,021	8,972,000
Utilities	3,300,000	4,286,000	4,188,440	4,244,440
Inventory	13,900,000	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	23,800,000	25,528,000	22,126,792	22,161,617
Purchased Transportation	17,400,000	16,697,000	17,030,930	17,450,000
Other Expenditures	6,700,000	6,678,000	7,056,356	7,079,556
Total Operating Expenditures	310,436,960	323,802,000	318,862,289	325,870,383
Revenues less Operating Expenses	32,583,920	40,745,300	43,855,011	38,126,917
Transfers to Other Funds				
Transfers to/from Insurance Fund	2,500,000	3,000,000	3,000,000	3,000,000
Transfers to/from Reserve Fund	10,878,615	10,878,615	10,878,615	5,878,615
Transfers to/from Capital				
Transfers to/from Bond Retirement Fund	9,346,959	9,184,042	6,731,911	2,902,958
Transfers to/from Capital Improvement Fund	19,127,878	18,074,438	20,468,089	24,707,042
Total Transfers to/from Capital	28,474,837	27,258,480	27,200,000	27,610,000
Total Transfers to/from Other Funds	41,853,452	41,137,095	41,078,615	36,488,615
Total Expenditures	352,290,412	364,939,095	359,940,904	362,358,998
Excess/(Deficiency) of Total Revenues over Total Expenditures	(9,269,532)	(391,795)	2,776,396	1,638,302
Beginning Balance	36,763,593	27,494,061	27,102,266	29,878,662
Projected Ending Balance	\$ 27,494,061	\$ 27,102,266	\$ 29,878,662	\$ 31,516,964
# Months Reserves - Estimated	1.1	1.0	1.1	1.2

Capital Improvement Fund Balance Analysis

	FY 2024 Amended Budget	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Federal / State Revenues				
Federal Capital Grants	\$ 71,876,582	\$ 120,939,575	\$ 102,611,773	\$ 82,547,867
State Capital Grants	41,116,997	20,000,000	20,000,000	15,000,000
Total Federal / State Revenues	112,993,579	140,939,575	122,611,773	97,547,867
Other Revenue				
Investment Income	1,100,000	1,100,000	1,100,000	1,100,000
Other Revenue	26,520,794	34,500,000	25,000,000	-
Total Other Revenue	27,620,794	35,600,000	26,100,000	1,100,000
Transfers				
Transfer from General Fund	19,127,878	18,074,438	20,468,089	24,707,042
Transfer from Reserve Fund	10,770,503	10,000,000	10,000,000	5,000,000
Total Transfers	29,898,381	28,074,438	30,468,089	29,707,042
Total Revenue	170,512,754	204,614,013	179,179,862	128,354,909
Expenditures				
Capital Outlay				
Capital Outlay - Development Fund	243,748,249	177,102,767	130,983,952	116,940,343
Asset Maintenance	2,310,000	2,560,000	2,560,000	2,560,000
Routine Capital	1,718,921	2,078,000	1,990,500	1,940,000
Total Capital Outlay	247,777,170	181,740,767	135,534,452	121,440,343
Total Expenditures	247,777,170	181,740,767	135,534,452	121,440,343
Excess/(Deficiency) of Total Revenues over Total Expenditures	(77,264,416)	22,873,246	43,645,410	6,914,566
Beginning Balance	233,273,562	161,147,255	184,020,501	227,665,911
Projected Ending Balance	\$ 156,009,146	\$ 184,020,501	\$ 227,665,911	\$ 234,580,477

Bond Retirement Fund Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Transfers				
Transfer from the General Fund	\$ 9,346,959	\$ 9,184,042	\$ 6,731,911	\$ 2,902,958
Total Transfers	9,346,959	9,184,042	6,731,911	2,902,958
Other Revenues				
Investment Income	327,880	100,000	100,000	100,000
Total Other Revenues	327,880	100,000	100,000	100,000
Total Revenues	9,674,839	9,284,042	6,831,911	3,002,958
Expenditures				
Debt Service				
Principal	7,995,000	8,355,000	6,935,000	2,795,000
Interest	1,481,450	1,115,500	697,750	351,000
Total Debt Service	9,476,450	9,470,500	7,632,750	3,146,000
Other Expenditures				
Other Expenditures	1,500	1,500	1,500	1,500
Total Other Expenditures	1,500	1,500	1,500	1,500
Total Expenditures	9,477,950	9,472,000	7,634,250	3,147,500
Excess/(Deficiency) of Total Revenues over Total Expenditures	196,889	(187,958)	(802,339)	(144,542)
Beginning Balance	1,184,825	1,381,714	1,193,756	391,417
Projected Ending Balance	\$ 1,381,714	\$ 1,193,756	\$ 391,417	\$ 246,875

Insurance Fund Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Transfer from General Fund	\$ 2,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Investment Income	367,917	100,000	100,000	100,000
Total Revenues	2,867,917	3,100,000	3,100,000	3,100,000
Expenditures				
Claims and Premium Outlay	3,078,000	3,100,000	3,300,000	3,500,000
Total Expenditures	3,078,000	3,100,000	3,300,000	3,500,000
Excess/(Deficiency) of Total Revenues over Total Expenditures	(210,083)	-	(200,000)	(400,000)
Beginning Balance	6,557,040	6,346,957	6,346,957	6,146,957
Projected Ending Balance	\$ 6,346,957	\$ 6,346,957	\$ 6,146,957	\$ 5,746,957

Supplemental Pension Fund Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Investment Income	\$ 77,611	\$ 30,000	\$ 28,000	\$ 26,000
Total Revenues	77,611	30,000	28,000	26,000
Expenditures				
Benefit Payments	9,000	9,000	9,000	9,000
Total Expenditures	9,000	9,000	9,000	9,000
Excess/(Deficiency) of Total Revenues over Total Expenditures	68,611	21,000	19,000	17,000
Beginning Balance	1,405,325	1,473,936	1,494,936	1,513,936
Projected Ending Balance	\$ 1,473,936	\$ 1,494,936	\$ 1,513,936	\$ 1,530,936

Law Enforcement Fund Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Law Enforcement Revenue	\$ 20,000	\$ 15,000	\$ 15,000	\$ 10,000
Investment Income	5,000	5,000	5,000	5,000
Total Revenues	25,000	20,000	20,000	15,000
Expenditures				
Capital & Related Expenditures	50,000	25,000	25,000	25,000
Total Expenditures	50,000	25,000	25,000	25,000
Excess/(Deficiency) of Total Revenues over Total Expenditures	(25,000)	(5,000)	(5,000)	(10,000)
Beginning Balance	351,321	326,321	321,321	316,321
Projected Ending Balance	\$ 326,321	\$ 321,321	\$ 316,321	\$ 306,321

Reserve Fund Balance Analysis

	FY 2024 Projection	FY 2025 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	\$ 5,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615	878,615
Total Transfers	10,878,615	10,878,615	10,878,615	5,878,615
Other Revenue				
Investment Income	6,805,371	8,000,000	6,000,000	5,000,000
Total Other Revenue	6,805,371	8,000,000	6,000,000	5,000,000
Total Revenues	17,683,986	18,878,615	16,878,615	10,878,615
Expenditures				
Transfers				
Transfer to GF for Compensated Absences	1,076,181	-	-	
Transfer to GF for Hospitalization	568,656	-	-	
Transfer to RTA Development Fund for Rolling Stock Reserve	10,770,503	10,000,000	10,000,000	5,000,000
Transfer to GF for 27th Pay	-	4,500,000	-	
Transfer to GF for Revenue Stabilization	30,000,000	50,500,000	39,000,000	24,500,000
Total Transfers	42,415,340	65,000,000	49,000,000	29,500,000
Total Expenditures	42,415,340	65,000,000	49,000,000	29,500,000
Excess/(Deficiency) of Total Revenues over Total Expenditures	(24,731,354)	(46,121,385)	(32,121,385)	(18,621,385)
Beginning Balance	161,038,852	136,307,498	90,186,113	58,064,728
Projected Ending Balance	\$ 136,307,498	\$ 90,186,113	\$ 58,064,728	\$ 39,443,343
Rolling Balances				
Compensated Absences	\$ 3,107,198	\$ 3,184,818	\$ 3,410,333	\$ 3,598,261
Fuel	2,952,147	3,092,825	3,307,481	3,486,361
Hospitalization	2,453,632	2,519,903	2,698,012	2,846,436
Rolling Stock Reserve	30,869	69,056	71,518	73,569
27th Pay	7,030,847	3,704,411	4,831,716	5,917,573
Revenue Stabilization	120,732,804	77,615,098	43,745,668	23,521,143
Total	\$ 136,307,498	\$ 90,186,113	\$ 58,064,728	\$ 39,443,343

All Funds Balance Analysis

	FY 2024 Projection	FY 2025 Budget	FY 2026 Plan	FY 2027 Plan
Revenues				
Operating Revenues				
Passenger Fares	\$ 30,656,522	\$ 32,000,000	\$ 33,400,000	\$ 34,500,000
Advertising & Concessions	1,579,775	2,062,000	2,062,000	2,062,000
Naming Rights	432,800	485,300	485,300	485,300
Investment Income	14,835,560	10,335,000	8,333,000	7,281,000
Total Operating Revenues	47,504,657	44,882,300	44,280,300	44,328,300
Non-Operating Revenues				
Sales & Use Tax	263,529,810	267,500,000	272,000,000	276,100,000
Reimbursed Expenditures	12,538,128	5,000,000	13,270,000	23,900,000
Federal Revenue	71,876,582	120,939,575	102,611,773	82,547,867
State Revenue	41,116,997	20,000,000	20,000,000	15,000,000
Other Non-Operating Revenue	28,166,130	36,015,000	26,515,000	1,510,000
Total Non-Operating Revenues	417,227,647	449,454,575	434,396,773	399,057,867
Total Revenues	464,732,304	494,336,875	478,677,073	443,386,167
Expenditures				
Operating Expenditures				
Salaries & Overtime	172,527,000	181,582,000	180,598,230	185,151,874
Payroll Taxes & Fringes	63,509,960	66,164,000	65,979,520	67,810,896
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	9,300,000	9,867,000	8,882,021	8,972,000
Utilities	3,300,000	4,286,000	4,188,440	4,244,440
Inventory	13,900,000	13,000,000	13,000,000	13,000,000
Services, Materials & Supplies	23,800,000	25,528,000	22,126,792	22,161,617
Purchased Transportation	17,400,000	16,697,000	17,030,930	17,450,000
Other Expenditures	6,700,000	6,678,000	7,056,356	7,079,556
Total Operating Expenditures	310,436,960	323,802,000	318,862,289	325,870,383
Non-Operating Expenditures				
Capital Outlay	247,777,170	181,740,767	135,534,452	121,440,343
Debt Service	9,476,450	9,470,500	7,632,750	3,146,000
Other Expenditures	3,138,500	3,135,500	3,335,500	3,535,500
Total Non-Operating Expenditures	260,392,120	194,346,767	146,502,702	128,121,843
Total Expenditures	570,829,080	518,148,767	465,364,991	453,992,226
Excess/(Deficiency) of Total Revenues over Total Expenditures	(106,096,776)	(23,811,892)	13,312,082	(10,606,059)
Beginning Balance	440,574,517	334,477,741	310,665,849	323,977,931
Estimated Available Ending Balance	\$ 334,477,741	\$ 310,665,849	\$ 323,977,931	\$ 313,371,872

2025 Funds Budgeted Summary

	General Fund	RESTRICTED FUNDS						Total of All Funds	
		RTA Development Fund	RTA Capital Fund	Bond Retirement Fund	Insurance Fund	Supplemental Pension Fund	Law Enforcement Fund		Reserve Fund
		CAPITAL FUNDS							
Revenues									
Operating Revenues									
Passenger Fares	\$32,000,000								\$ 32,000,000
Advertising & Concessions	2,062,000								2,062,000
Naming Rights	485,300								485,300
Investment Income	1,000,000	\$ 1,000,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 30,000	\$ 5,000	\$ 8,000,000	10,335,000
Total Operating Revenues	35,547,300	1,000,000	100,000	100,000	100,000	30,000	5,000	8,000,000	44,882,300
Non-Operating Revenues									
Sales & Use Tax	267,500,000								267,500,000
Reimbursed Expenditures	5,000,000								5,000,000
Federal		120,939,575							120,939,575
State		20,000,000							20,000,000
Bond Proceeds									
Other Non-Operating Revenue	1,500,000	34,500,000					15,000		36,015,000
Total Non-Operating Revenues	274,000,000	175,439,575					15,000		449,454,575
Transfers									
Transfer from General Fund			18,074,438	9,184,042	3,000,000			10,878,615	
Transfer from RTA Capital Fund		15,500,000							
Transfer from Reserve Fund									
For Compensated Absences	-								
For Fuel	-								
For Hospitalization	-								
For Rolling Stock Reserve		10,000,000							
For 27th Pay	4,500,000								
For Revenue Stabilization	50,500,000								
Total Transfers	55,000,000	25,500,000	18,074,438	9,184,042	3,000,000	-	-	10,878,615	
Total Revenues	364,547,300	201,939,575	18,174,438	9,284,042	3,100,000	30,000	20,000	18,878,615	494,336,875
Expenditures									
Operating Expenditures									
Salaries & Overtime	181,582,000								181,582,000
Payroll Taxes & Fringes	66,164,000								66,164,000
Fuel (Diesel, CNG, Propulsion Power, Propane, Gasoline)	9,867,000								9,867,000
Utilities	4,286,000								4,286,000
Inventory	13,000,000								13,000,000
Services, Materials & Supplies	25,528,000								25,528,000
Purchased Transportation	16,697,000								16,697,000
Other Expenditures	6,678,000								6,678,000
Total Operating Expenditures	323,802,000								323,802,000
Non-Operating Expenditures									
Capital Outlay		177,102,767	4,638,000						181,740,767
Debt Service (Principal & Interest)				9,470,500					9,470,500
Other Expenditures				1,500	3,100,000	9,000	25,000		3,135,500
Total Non-Operating Expenditures	-	177,102,767	4,638,000	9,472,000	3,100,000	9,000	25,000	-	194,346,767
Sub-Total Expenditures	323,802,000	177,102,767	4,638,000	9,472,000	3,100,000	9,000	25,000	-	518,148,767
Revenues less Expenditures	40,745,300	24,836,808	13,536,438	(187,958)	-	21,000	(5,000)	18,878,615	(23,811,892)
Transfers to Other Funds									
Transfer to General Fund									
Transfer to Insurance Fund	3,000,000								
Transfer to Supplemental Pension Fund	-								
Transfer to Bond Retirement Fund	9,184,042								
Transfer to RTA Capital Fund	18,074,438								
Transfer to RTA Development Fund			15,500,000						
Transfer to Reserve Fund									
For Rolling Stock Reserve	10,000,000							10,000,000	
For 27th Pay	878,615							4,500,000	
For Revenue Stabilization								50,500,000	
Total Transfers to Other Funds	41,137,095		15,500,000					65,000,000	
Total Expenditures	364,939,095	177,102,767	20,138,000	9,472,000	3,100,000	9,000	25,000	65,000,000	518,148,767
Excess/(Deficiency) of Total Revenues over Total Expenditures									
	(391,795)	24,836,808	(1,963,562)	(187,958)	-	21,000	(5,000)	(46,121,385)	(23,811,892)
Beginning Balance	27,494,061	255,657,274	6,992,237	1,381,714	6,346,957	1,473,936	326,321	136,307,498	435,979,997
Available Ending Balance	\$27,102,266	\$ 280,494,082	\$ 5,028,675	\$ 1,193,756	\$ 6,346,957	\$ 1,494,936	\$ 321,321	\$ 90,186,113	\$ 412,168,105

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