

Minutes

RTA Tax Budget Public Hearing

11:10 a.m. November 12, 2019

Committee: Lucas (Vice Chair), Byrne, Joyce, Moss, Serrano

Other Board members: Bibb, Clough, McCall

Not present: Welo

Also Present: Astolfi, Benford, Beveridge, Birdsong, Brooks-Williams, Burney, Castelucci, Caver, Cranford, Dangelo, Davidson, Davis, Draper, Ferraro, Fields, Garofoli, Gautam, Gibbons, Jaszczak, Keshtkaran, Kirkland, Lewis, Loh, Pinkney-Butts, Rusnov, Schipper, Schnear, Sims, Stocking, Sutula, Tarka, Togher, Vukmanic, Wiehe, Williams, Wilson, Winn, Woodford, Young, Zeller

Rev. Lucas called the public hearing to order at 11:10 a.m.

This is the initial public hearing for the 2020 Proposed Budget for the Greater Cleveland Regional Transit Authority.

This proposed budget has been made available for public inspection for at least 10 days in the Office of Management & Budget. Public notice of this hearing was made by the publication of a legal advertisement in the Cleveland Plain Dealer on October 29, 2019. In addition, notice was posted in the first floor lobby of the Authority's Main Office Building.

In developing the proposed 2020 budget we attempted to maintain financial health, while providing quality service to our customers. The Authority has managed well over the last several years. Strategic decisions have been made to create efficiencies, strengthen our financial position, and enhance service. The highlights for the Proposed 2020 Budget are as follows:

- The General Fund budget request includes expenditures of \$295.8 million against estimated revenue of \$283.6 million. The total expenditures include \$262.2 million in operating expenditures, \$27.1 million for debt service and capital improvements, \$50,000 to the pension fund, \$2.0 million to the insurance fund, and \$5.9 million for the reserve fund (Rolling Stock Replacement and 27th Pay).
- Sales & Use Tax, the Authority's largest source of revenue, is budgeted at \$215.4 million, a 2% increase over 2019 3rd Quarter estimated revenue. Ridership has continued to decrease, so Passenger Fares, the Authority's 2nd largest source of revenue is budgeted at \$41.4 million, a 4% decrease over 2019 estimates.
- Salaries and overtime costs are budgeted \$143.7 million, which includes a projected 2.5% wage increase for all employees. No reductions in positions were made and the proposed 2020 budget includes 2,333 FTEs. No significant service changes are planned in the proposed 2020 budget.
- We look forward to implementing the recommendations from the 5 Pillar Studies and create the next 10-year Strategic Plan.
- Solid management and effective budget execution has allowed RTA to improve its financial position and maintain a 30-day ending balance. The 2020 Proposed Budget has an estimated ending balance of \$25.0 million, a 1.1-month reserve.

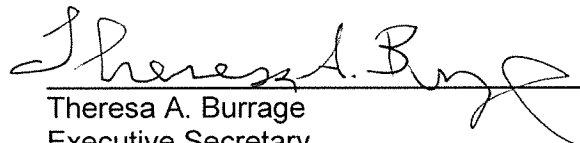
Public Comment

1. Rev. Pam Pinkney-Butts – Cleveland, OH – She has not received an answer regarding money the Governor of the State of Ohio had in a rainy day fund. The operators still don't have a contract. One operator questioned when the fare boxes and booths on the RedLine will be reopened. Operators were complaining that there is a 20 minute break with the 12 hour shift and the layover at the end of the line is not conducive. And the light and heavy rail are timed too closely together. She asked Mayor Clough to do a tour with Ms. Birdsong.
2. George Zeller – Cleveland, OH – RTA is staffed with professionals and has presented a well prepared budget. We're 90 months in a row where the growth in Ohio has been slower than the national average. We're 42 consecutive months where Ohio's unemployment has been higher than the U.S. average. Cleveland is underperforming the rest of the State and Cuyahoga County.
3. Dana Beveridge – Cleveland, OH – She's with Clevelanders for Public Transit. This Thursday, there is a meeting at NOACA from 4-7 pm about long range plans for mobility issues. After that, the Mayor of Lakewood is putting on a Public Mobility Forum at 7 p.m. at Harrison Elementary in Lakewood. It will focus on transportation for the 21st Century.
4. Loh – Cleveland, OH – The operators can't get a decent contract. The fare boxes are not working because they are old. The fare study needs to be completed. Transit Police does not report the crimes they have perpetuate. She asked if the fares could be decreased.

The hearing was adjourned at 11:20 a.m.



Floun'say R. Caver, Ph.D.
Interim Secretary/Treasurer



Theresa A. Burrage
Executive Secretary