

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

2023

TAX BUDGET



2023 TAX BUDGET

To: Rev. Charles P. Lucas, President
and Members, Board of Trustees

Date: July 7, 2022

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

Subject: FY 2023 Tax Budget

EXECUTIVE SUMMARY

The 2023 Tax Budget is an initial analysis of the financial trends affecting revenues, with preliminary forecasts on expenditures and service levels of the Authority. It is a forward-looking document toward estimated revenues for the next fiscal year. It is a valuable tool in the budget development process.

The COVID-19 pandemic continues to challenge expectations and has refined how the Authority responds to crises. The challenges we faced improved the overall resilience and preparedness of the Authority, and the past year has been one of great progress.

The Authority continues to manage the effects of the pandemic and continues the commitment made to our customers and the community. As in the mission, **Connecting the Community**, the Authority is transitioning the current mobile ticketing app (RTA CLE) to Transit App with Ezfare. Customers will be able to purchase tickets on multiple agencies (transit agencies, Uber, Lyft, scooters, etc), as well as have the same features available as the current app, such as see when the next bus will arrive and plan trips. This transition will also provide for validators on our vehicles for more efficient service. The final transition will take place in the 4th Quarter of 2022.

In the 3rd Quarter, the Authority will launch the “Transit Ambassador” program. The program will consist of eight Ambassadors and two Community Outreach Specialists who will interact with customers and provide information for purchasing passes, routes, getting on/off the bus, reporting safety issues, and much more. The Community Outreach Specialists will be available to assist customers to other community services if needed.

The RTA’s “Rides to Community Immunity” bus has provided Covid-19 vaccines in collaboration with Care Alliance Health Center to multiple communities in the greater Cleveland area. It is through partnerships like this that we are able to remove barriers to care and promote equitable access bringing the vaccines directly to the community.

During the past two years, the Authority has received federal stimulus funding under the Coronavirus Aid Relief and Economic Securities (CARES) Act, Coronavirus Response & Relief Supplemental Act (CRRSAA) and in March 2021 the American Rescue Plan (ARP) allowing the Authority to strategically use sales tax funding to maintain financial sustainability. Approximately \$60 million of sales tax funding was used to retire a portion of outstanding debt. This available sales tax funding will be used toward unfunded and underfunded capital projects. The Authority remains committed to replacing its aging rail fleet, infrastructure and right-of-way, and investing in the community

General Fund Assumptions

Inflation

Assumption:

3.0%

Rationale:

The Federal Reserve never anticipated inflation this severe, the Fed's policymakers had forecast that consumer inflation would stay below their 2% annual target and end 2021 at around 1.8%. For the past 12 months that ended in April, the annual inflation rate is 8.3% after increasing to 8.5% in March. This is the fastest jump since 1981, surpassing February's 7.9%.

At the March 16, 2022 meeting, the Fed projected core inflation in 2022 to drop to 4.1% as a result of monetary policy being enacted. Many economists foresee inflation staying well above the Fed's 2% annual target this year but will likely end 2022 at a high rate of about 6.3%. In 2023 the rate should fall faster, down to 3.0% by the end of the year.

Interest Rates

Assumption:

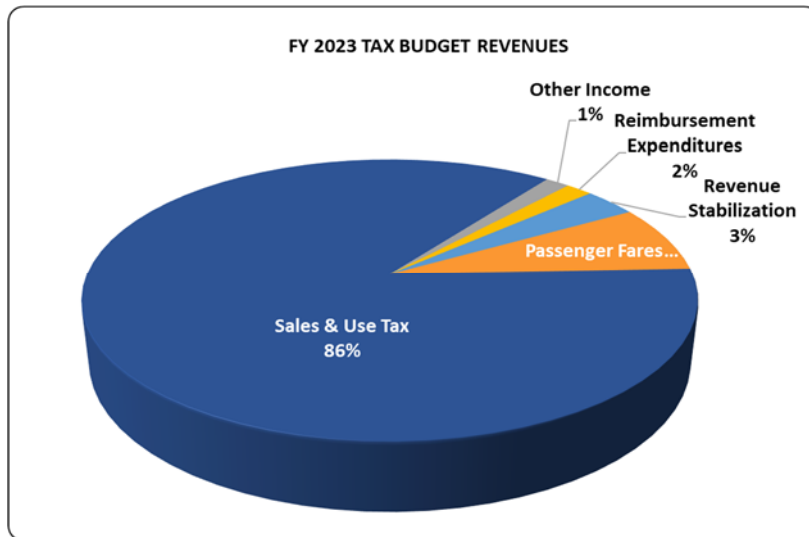
2.5%

Rationale:

The Federal Reserve announced at its May 4th meeting that it would be increasing its target for the Federal Funds Rate (FFR) by 0.50% marking the first increase since 2018. The Fed has radically changed course largely in response to the inflationary pressures. The Federal Reserve raised its benchmark short-term rate by a quarter-point and is expected to keep raising it, probably aggressively, well into 2023.

The Fed projects there will be five more federal funds rate increases this year: Two half-point hikes and three quarter-point increases, bringing the federal funds interest rate to 2.5% by the end of the year.

REVENUES



Passenger Fares

Assumption:

\$23.3M

Rationale:

Actual Passenger Fare revenue received through May 2022 totaled \$10.8 million. This amount is 22.0% above 2021 actual receipts for the same period. Total Passenger Fares for 2022 are estimated at \$23.0 million, 6.9% above 2021 actual revenues. Based on current trends, we are projecting ridership to continue to increase slowly in 2023. Total passenger fares for 2023 are projected to increase by 1.0%.

Advertising & Concessions

Assumptions:

Advertising Contract and Concessions

\$2.0M

**Naming Rights: HealthLine, CSU Line,
and MetroHealth Line**

\$485K

Total

\$2.5 M

Rationale:

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, Medical Mutual for the MetroHealth Line, Tri-C District for E. 34th Rapid Station and Huntington Bank for various shelters along the HealthLine. The Advertising & Concessions category is projected to total \$2.5 million in 2023 and is projected to remain steady each year thereafter for 2024 through 2026 based on contractual terms.

Sales & Use Tax Revenue

Assumptions:

Sales & Use Tax

\$259.0M

Rationale:

Sales Tax for 2022 is estimated to increase 5.6% compared to 2021. 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 5.25% Sales and Use Tax levied by the State, plus the 0.5% temporary state tax, 1.0% levied by Cuyahoga County and a special 0.25% levied by Cuyahoga County.

The estimate for the 2023 Tax Budget is based on actual receipts through May 2022, with projections anticipating slow recovery in consumer spending. Sales tax receipts are projected to increase by 2.5% in 2023 and by 2.0% in 2024 as the economy continues to rebound.

Investment Income

Assumption:

\$600K

Rationale:

The estimate for Investment Income for 2023 total \$600,000. The Federal Reserve Bank anticipates interest rates to increase to 2.5% by the end of 2022 and another quarter-point is expected in FY 2023. 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 2022 and FY 2023, then dropping slightly the next two years, this estimate is based on the current carrying balances. In 2022, the Authority has received an average yield of 1.05% on all investments.

Other Revenue

Assumptions:

\$11.5M

Rationale:

This revenue category includes various miscellaneous receipts from contractors, hospitalization, claim reimbursements, rent, salvage sales, transfers from the revenue stabilization fund, and sale of identification cards. The estimated \$10 million revenue stabilization is reserved to be transferred to the General Fund to ensure a one-month operating ending balance. The amount received may fluctuate annually. For the 2023 Tax Budget, Other Revenue is budgeted at \$11.5 million.

Reimbursed Expenditures

Assumptions:

Preventive Maintenance Activities

\$1.0M

Reimbursed Labor

\$2.0M

Other Reimbursements

\$2.0M

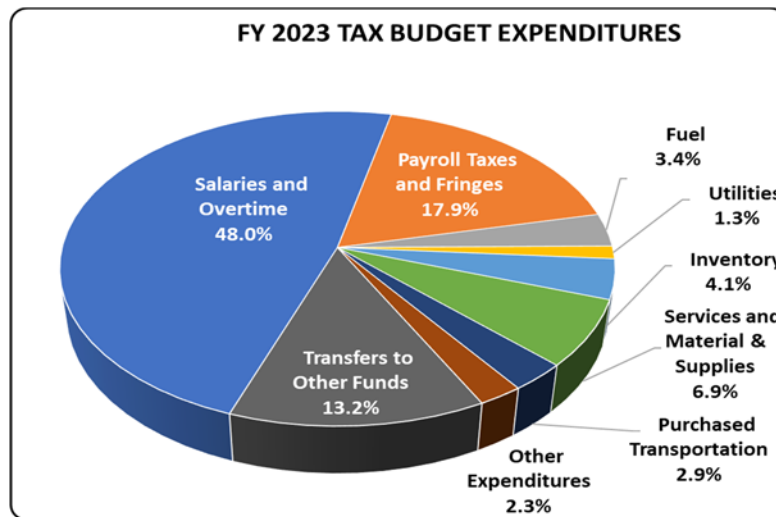
Total

\$5.0M

Rationale:

This category is composed of reimbursement of labor costs for capital projects, preventive maintenance activities within the Operating Budget, and diesel fuel tax refunds. For the 2023 Tax Budget, revenues from Reimbursed Expenditures are budgeted at \$5.0 million. For FY 2023 and FY 2024 the authority will retain \$1.0 million of preventive maintenance funds. This will enable the Authority to use the grant funding for unfunded and underfunded capital projects. Other reimbursements include reimbursed labor, and other reimbursements, which are projected at \$2.0 million each.

EXPENDITURES



Salaries and Overtime

Assumption:

\$152.2M

Rationale:

Total salaries and overtime for the 2023 Tax Budget are estimated at \$152.2 million and account for 47.9% of RTA’s General Fund expenses. Total wages for 2023, including payroll taxes and fringes, are estimated to increase by 0.9% compared to FY 2022 projection. This increase is based on negotiated union payouts and salary increases negotiated and announced during the current fiscal year.

Payroll Taxes and Fringes

Assumption:

\$56.7M

Rationale:

Payroll Taxes and Fringe Benefits are budgeted at \$56.7 million for the 2023 Tax Budget and account for about 17.9% of General Fund expenses. The main expenses include payroll taxes, health care, prescription, vision, dental, uniform allowances, Medicare and PERS (pension) expenses.

Fuel

Assumptions:

<i>Diesel Fuel</i>	<i>\$3.0M</i>
<i>Gasoline</i>	<i>\$1.2M</i>
<i>Propane</i>	<i>\$0.2M</i>
<i>Propulsion Power</i>	<i>\$2.6M</i>
<i>Compressed Natural Gas</i>	<i>\$2.5M</i>
<i>Diesel Fuel Tax</i>	<i>\$1.2M</i>
<i>Total</i>	<i>\$10.7M</i>

Rationale:

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 are placed into service and older diesel vehicles are retired. For 2023, 20 new CNG buses are planned to be placed in operation and diesel fuel usage will once again decrease as these newer buses are introduced.

Other Expenditures

Assumptions:

<i>Utilities</i>	<i>\$4.3M</i>
<i>Inventory</i>	<i>\$13.2M</i>
<i>Services & Materials</i>	<i>\$22.0M</i>
<i>Purchased Transportation/ADA</i>	<i>\$9.2M</i>
<i>Other Expenditures</i>	<i>\$7.2M</i>
<i>Total</i>	<i>\$55.9M</i>

Rationale:

The Utilities category includes natural gas (for facility heating), water/sewer, electricity, and telephone expenses. This category is budgeted at \$4.3 million for the 2023 Tax Budget or 1.3% of all General Fund expenditures. Electricity and natural gas usage are managed through the contracts. The current contract for electricity began in 2018, which stabilized costs through 2021 at favorable prices for the Authority. A new contract for electricity took effect May 2022 extending slightly higher rates until 2027. Natural gas commodity costs are locked in through mid-2026.

Inventory is budgeted at \$13.2 million, or 4.1% of General Fund expenditures. The Supply Chain Management section of Fleet Management District has helped the Authority to maintain predictive maintenance 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 \$22.0 million for the 2023 Tax Budget, 6.9% of all General Fund expenditures. The out years are planned to increase slightly each year based on contracts and inflation.

Purchased Transportation/ADA is budgeted at \$9.2 million for the 2023 Tax Budget. The Authority entered into 3 new contracts in June 2019 with an option to extend the contract two

additional years with Provide-A-Ride, Senior Transportation Connection, and GC Logistics. The “Other Expenditures” category include travel and meeting expenses, claims, and other miscellaneous expenses. For the 2023 Tax Budget, \$7.2 million is budgeted for this category.

Transfers

Assumption:

<i>Bond Retirement</i>	<i>\$9.3M</i>
<i>Capital Improvements</i>	<i>\$19.2M</i>
<i>Insurance Fund</i>	<i>\$2.5M</i>
<i>Reserve Fund</i>	<i>\$10.9M</i>
<i>Total</i>	<i>\$41.9M</i>

Rationale:

Transfers shown for the Bond Retirement are for the debt service less the investment income earned in the Bond Retirement Fund. The \$9.3 million transfer to the Bond Retirement Fund for 2023 is needed to pay the principal and interest on all debt for 2023, as well as to maintain the recommended ending balance.

The transfer to the Capital Improvement Fund covers 100 percent 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 11.0%, is slightly greater than the recommended Board policy of a minimum of 10% of Sales & Use Tax revenue and continues to reflect the significant financial requirements of the Authority’s capital program.

The \$2.5 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 2023 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 2023 Tax Budget yields a 9.6% ratio, which is below the policy objective. The Operating Ratio for 2022 is estimated at 9.7%. Ridership fell over 50% due to the COVID-19 pandemic and has not returned to pre-pandemic levels. These ratios will not be met even though ridership is slowly increasing

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 \$23.1 million, the Operating Reserve for the 2023 Tax Budget is budgeted at 1.0 months. The Operating Reserves planned for 2024 is estimated at 1.0 month. The financial assistance received under the CARES Act, CRRSAA and ARP have helped sustain operations during the pandemic. The positive ending balance will ensure a level of stability in mitigating lingering effects of the pandemic on ridership and passenger fare revenue into 2024

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 inflation estimates for 2023 is 3.0%. The 2023 Tax Budget estimates the cost per hour of service at \$165.2, which is 1.8% above FY 2023. This indicator is 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 2023 Tax Budget estimates the debt service coverage at 4.57, above Board policy minimum of 1.50. The debt service coverage is projected to be 4.50 in 2024. The authority reduced its debt by \$57.7 million in 2021, which has reduced the annual interest to be paid in future years.

Sales & Use Tax Contribution to Capital: Current Board policy requires that a minimum of 10.0% of 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 11.0%, 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 2023 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. Over the past few years, the Authority's priorities include replacement of rail vehicles and maintenance and repair of rail infrastructure, including tracks, bridges, signals, and substations. Additional funding has been transferred each year 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 2023 through 2027 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 (replacing 24 heavy rail and 24 light rail vehicles), 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 2023.. 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 2023 include a combined \$2.9 million for premium outlays and payments for the settlement of claims. This will require a \$2.5 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 2023 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 Northern Ohio Law Enforcement Task Force (NOLETF), a multi-jurisdictional force (formerly known as the Caribbean/Gang Task Force). RTA's involvement was prompted by increased gang activity found in and around the rail system and the need to obtain intelligence in this area. 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 convicted drug dealers prosecuted by the Task Force.

Revenue obtained through the NOLETF 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 2023 are estimated at \$20,000.

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 five accounts: Compensated Absences, Fuel, Hospitalization, Rolling Stock, and an account for budget years with 27 pay periods. A transfer of \$10.9 million is budgeted in the 2023 Tax Budget for replacement of rail vehicles and 27th pay period expenses. In 2023, a transfer of \$10 million will be made to the RTA Development Fund for the Rail Car Replacement and a transfer of \$10 million will be made to the General Fund from the Revenue Stabilization fund, ensuring a 1-month operating reserve at year-end.

In summary, four of the six financial goals meet the Board Policy Goals for the 2023 Tax Budget. The stimulus funding has helped to maintain a strong position during the pandemic. The Authority's biggest challenge is keeping up with the aging infrastructure and SOGR needs, where Federal, State and Local capital funding is crucial.

ATTACHMENT A
General Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 132,581,757	\$ 62,360,626	\$ 38,693,242	\$ 23,147,744	\$ 22,675,201
Revenue					
Passenger Fares	21,541,061	23,022,671	23,252,898	23,601,691	23,955,717
Advertising & Concessions	1,228,020	2,457,450	2,457,450	2,457,450	2,457,450
Sales & Use Tax	239,341,747	252,700,000	259,000,000	264,180,000	266,821,800
CRRSAA Federal Funding	67,416,466	-	-	-	-
ARP Federal Funding	54,815,088	81,199,333	-	-	-
Investment Income	97,478	600,000	600,000	500,000	400,000
Other Revenue	854,246	1,500,000	1,500,000	1,500,000	1,500,000
Reimbursed Expenditures	14,804,933	5,000,000	5,000,000	5,000,000	5,000,000
Transfer from Reserve Fund (Revenue Stabilization)	-	-	10,000,000	26,500,000	32,000,000
Total Revenue	400,099,039	366,479,454	301,810,348	323,739,141	332,134,967
Total Resources	532,680,796	428,840,080	340,503,590	346,886,885	354,810,168
Operating Expenditures					
Salaries and Overtime	140,088,330	151,678,474	152,183,359	156,052,315	166,222,023
Payroll Taxes and Fringes	57,491,909	55,327,234	56,753,344	58,292,662	58,863,044
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,101,694	10,286,133	10,693,388	10,742,931	10,713,493
Utilities	4,700,271	4,262,001	4,262,001	4,298,163	4,299,026
Inventory	12,773,812	11,503,277	13,200,000	13,300,000	13,400,000
Services and Material & Supplies	18,818,101	22,210,336	22,042,918	22,172,886	22,615,857
Purchase Transportation	9,335,470	8,708,990	9,150,000	9,235,850	9,321,708
Other Expenditures	6,018,115	6,566,020	7,202,221	7,178,462	7,188,852
Total Operating Expenditures	257,327,702	270,542,465	275,487,231	281,273,270	292,624,003
Transfers to (from) Other Funds					
Transfer to (from) the Insurance Fund	2,100,000	2,500,000	2,500,000	3,000,000	3,000,000
Transfer to (from) the Pension Fund	45,000	-	-	-	-
Transfers to Reserve Fund	95,878,615	60,878,615	10,878,615	10,878,615	10,878,615
Transfers from the Reserve Fund	-	-	-	-	(5,500,000)
Transfers to (from) Capital					
Bond Retirement Fund	13,835,408	11,500,000	9,276,125	9,105,783	9,456,208
Bond Defeasance	57,734,586	-	-	-	-
Capital Improvement Fund	43,398,859	44,725,758	19,213,875	19,954,017	20,184,788
Total Transfers to (from) Capital	114,968,853	56,225,758	28,490,000	29,059,800	29,640,996
Total Transfers to (from) Other Funds	212,992,468	119,604,373	41,868,615	42,938,415	38,019,611
Total Expenditures	470,320,170	390,146,838	317,355,846	324,211,685	330,643,614
Available Ending Balance	\$ 62,360,626	\$ 38,693,242	\$ 23,147,744	\$ 22,675,201	\$ 24,166,554

ATTACHMENT B

2023 Tax Budget Financial Policy Goals							
		Goal	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Operating Efficiency	Operating Ratio	$\geq 25\%$	8.9%	9.7%	9.6%	9.5%	9.2%
	Cost per Service Hour		\$154.3	\$162.3	\$165.2	\$168.7	\$175.5
	Growth per Year	\leq Rate of Inflation	0.0%	5.2%	1.8%	2.1%	4.0%
	Operating Reserve (Months)	≥ 1 month	2.9	1.7	1.0	1.0	1.0
Capital Efficiency	Debt Service Coverage	≥ 1.5	3.13	9.35	4.57	4.50	4.12
	Sales Tax Contribution to Capital	$\geq 10\%$	48.0%	22.3%	11.0%	11.0%	11.1%
	Capital Maintenance to Expansion	75% - 90%	100.0%	100.0%	100.0%	100.0%	100.0%

ATTACHMENT C

Capital Improvement Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 32,437,292	\$ 148,525,235	\$ 176,326,453	\$ 176,103,432	\$ 176,325,679
Revenue					
Transfer from General Fund	43,398,859	44,725,758	19,213,875	19,954,017	20,184,788
Transfer from Reserve Fund	49,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Investment Income	118,933	265,000	265,000	265,000	765,000
Federal Capital Grants	87,419,866	133,449,281	64,062,635	65,652,635	65,652,635
CARES Act / CRRSAA Assistance	67,416,467	-	-	-	-
ARP Assistance	-	81,199,333	-	-	-
State Capital Grants	-	9,336,598	19,336,598	19,336,598	19,336,598
Other Revenue	6,587,238	-	24,225,000	35,891,286	34,500,000
Total Revenue	253,941,363	278,975,970	137,103,108	151,099,536	150,439,021
Total Resources	286,378,655	427,501,205	313,429,560	327,202,968	326,764,701
Expenditures					
Capital Outlay	70,436,953	169,975,419	137,326,128	150,877,289	149,028,209
Capital Outlay - CARES Act / CRRSAA	67,416,467	-	-	-	-
ARP Assistance	-	81,199,333	-	-	-
Total Expenditures	137,853,420	251,174,752	137,326,128	150,877,289	149,028,209
Available Ending Balance	\$ 148,525,235	\$ 176,326,453	\$ 176,103,432	\$ 176,325,679	\$ 177,736,492

ATTACHMENT D
Bond Retirement Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 5,946,363	\$ 4,114,410	\$ 3,874,210	\$ 3,811,885	\$ 3,539,718
Revenue					
Transfer from General Fund	13,835,408	11,500,000	9,276,125	9,105,783	9,456,208
Transfer from General Fund - Defeasance	57,734,586	-	-	-	-
Investment Income	41,268	135,000	135,000	100,000	100,000
Other Revenue	25,271	-	-	-	-
Total Revenue	71,636,533	11,635,000	9,411,125	9,205,783	9,556,208
Total Resources	77,582,896	15,749,410	13,285,335	13,017,668	13,095,926
Expenditures					
Debt Service					
Principal	68,187,986	9,535,000	7,610,000	7,995,000	8,355,000
Interest	5,279,000	2,338,700	1,861,950	1,481,450	1,115,500
Other Expenditures	1,500	1,500	1,500	1,500	1,500
Total Expenditures	73,468,486	11,875,200	9,473,450	9,477,950	9,472,000
Ending Balance	\$ 4,114,410	\$ 3,874,210	\$ 3,811,885	\$ 3,539,718	\$ 3,623,926

ATTACHMENT E
Insurance Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 5,827,793	\$ 6,161,198	\$ 5,703,198	\$ 5,245,198	\$ 5,262,198
Revenue					
Investment Income	15,760	35,000	35,000	35,000	35,000
Transfer from General Fund	2,100,000	2,500,000	2,500,000	3,000,000	3,000,000
Total Revenue	2,115,760	2,535,000	2,535,000	3,035,000	3,035,000
Total Resources	7,943,553	8,696,198	8,238,198	8,280,198	8,297,198
Expenditures					
Claims and Premium Outlay	1,782,355	2,993,000	2,993,000	3,018,000	3,018,000
Total Expenditures	1,782,355	2,993,000	2,993,000	3,018,000	3,018,000
Ending Balance	\$ 6,161,198	\$ 5,703,198	\$ 5,245,198	\$ 5,262,198	\$ 5,279,198

ATTACHMENT F
Supplemental Pension Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 1,288,956	\$ 1,326,577	\$ 1,318,677	\$ 1,310,777	\$ 1,302,877
Revenue					
Investment Income	1,012	1,100	1,100	1,100	1,100
Transfer from General Fund	45,000	-	-	-	-
Total Revenue	46,012	1,100	1,100	1,100	1,100
Total Resources	1,334,968	1,327,677	1,319,777	1,311,877	1,303,977
Expenditures					
Benefit Payments	8,391	9,000	9,000	9,000	9,000
Total Expenditures	8,391	9,000	9,000	9,000	9,000
Ending Balance	\$ 1,326,577	\$ 1,318,677	\$ 1,310,777	\$ 1,302,877	\$ 1,294,977

ATTACHMENT G

Law Enforcement Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 57,550	\$ 156,171	\$ 151,221	\$ 136,271	\$ 136,321
Revenue					
Law Enforcement Revenue	103,257	20,000	5,000	20,000	5,000
Investment Income	41	50	50	50	50
Total Revenue	103,298	20,050	5,050	20,050	5,050
Total Resources	160,848	176,221	156,271	156,321	141,371
Expenditures					
Capital & Related Items	4,677	25,000	20,000	20,000	15,000
Total Expenditures	4,677	25,000	20,000	20,000	15,000
Ending Balance	\$ 156,171	\$ 151,221	\$ 136,271	\$ 136,321	\$ 126,371

ATTACHMENT H
Reserve Fund Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 51,601,958	\$ 98,598,588	\$ 150,102,203	\$ 141,480,818	\$ 116,259,433
Revenue					
Investment Income	118,015	625,000	500,000	400,000	200,000
Transfer from GF for Compensated Absences	-	-	-	-	-
Transfer from GF for Fuel	-	-	-	-	-
Transfer from GF for Hospitalization	-	-	-	-	-
Transfer from GF for Rolling Stock Reserve	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Transfer from GF for 27th Pay	878,615	878,615	878,615	878,615	878,615
Transfer from GF for Revenue Stabilization	85,000,000	50,000,000	-	-	-
Other Revenue	-	-	-	-	-
Total Revenue	95,996,630	61,503,615	11,378,615	11,278,615	11,078,615
Total Resources	147,598,588	160,102,203	161,480,818	152,759,433	127,338,048
Expenditures					
Transfer to General Fund (Compensated Absences)	-	-	-	-	-
Transfer to General Fund (Fuel)	-	-	-	-	-
Transfer to General Fund (Hospitalization)	-	-	-	-	-
Transfer to RTA Development Fund (Rolling Stock)	49,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Transfer to General Fund (27th Pay - 2024)	-	-	-	-	5,500,000
Transfer to General Fund (Revenue Stabilization)	-	-	10,000,000	26,500,000	32,000,000
Total Expenditures	49,000,000	10,000,000	20,000,000	36,500,000	47,500,000
Ending Balance	\$ 98,598,588	\$ 150,102,203	\$ 141,480,818	\$ 116,259,433	\$ 79,838,048
Rolling Balances					
Compensated Absences	\$ 3,711,501	\$ 3,727,020	\$ 3,740,238	\$ 3,753,151	\$ 3,762,576
Fuel	2,619,150	2,630,101	2,639,429	2,648,542	2,655,193
Hospitalization	2,681,378	2,692,590	2,702,139	2,711,468	2,718,278
Rolling Stock	673,590	676,406	678,805	681,149	682,860
27th Pay: Salary: 2020 / Hourly 2025	3,811,108	4,709,332	5,607,765	6,508,774	1,892,129
Revenue Stabilization	85,101,860	135,666,754	126,112,441	99,956,349	68,127,012
Total	\$ 98,598,588	\$ 150,102,203	\$ 141,480,818	\$ 116,259,433	\$ 79,838,048

ATTACHMENT I
All Funds Balance Analysis

	2021 Actual	2022 Projection	2023 Tax Budget	2024 Plan	2025 Plan
Beginning Balance	\$ 229,741,670	\$ 321,242,807	\$ 376,169,205	\$ 351,236,127	\$ 325,501,428
Revenue					
Passenger Fares	21,541,061	23,022,671	23,252,898	23,601,691	23,955,717
Sales & Use Tax	239,341,747	252,700,000	259,000,000	264,180,000	266,821,800
Federal	87,419,866	133,449,281	64,062,635	65,652,635	65,652,635
CARES Act / CRRSAA	67,416,467	-	-	-	-
ARP	54,815,088	81,199,333	-	-	-
State	-	9,336,598	19,336,598	19,336,598	19,336,598
Investment Income	392,507	1,661,150	1,536,150	1,301,150	1,501,150
Other Revenue	23,602,965	8,977,450	33,187,450	44,868,736	43,462,450
Total Revenue	494,529,701	510,346,483	400,375,731	418,940,810	420,730,350
Total Resources	724,271,371	831,589,289	776,544,936	770,176,937	746,231,778
Expenditures					
Personnel Services	197,580,239	207,005,708	208,936,703	214,344,977	225,085,067
Fuel (Diesel, CNG, Prop. Pwr., Gas)	8,101,694	10,286,133	10,693,388	10,742,931	10,713,493
Utilities	4,700,271	4,262,001	4,262,001	4,298,163	4,299,026
Inventory	12,773,812	11,503,277	13,200,000	13,300,000	13,400,000
Services & Materials	18,818,101	22,210,336	22,042,918	22,172,886	22,615,857
Purchased Transportation	9,335,470	8,708,990	9,150,000	9,235,850	9,321,708
Other Expenditures	7,815,038	9,594,520	10,225,721	10,226,962	10,232,352
Capital Outlay	70,436,953	169,975,419	137,326,128	150,877,289	149,028,209
Debt Service	73,466,986	11,873,700	9,471,950	9,476,450	9,470,500
Total Expenditures	403,028,564	455,420,084	425,308,809	444,675,509	454,166,212
Available Ending Balance	\$321,242,807	\$376,169,205	\$351,236,127	\$325,501,428	\$292,065,566



Greater Cleveland Regional Transit Authority
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