GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

Single Audit Report
for the Year Ended
December 31, 2000

STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215

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Board of Trustees
Greater Cleveland Regional Transit Authority

We have reviewed the Independent Auditor's Report of the Greater Cleveland Regional Transit Authority, Cuyahoga County, prepared by Deloitte & Touche LLP for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Greater Cleveland Regional Transit Authority is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

July 11, 2001

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

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The Greater Cleveland
Regional Transit Authority
1240 West 6th Street
Cleveland, Ohio 44113-1331
Phone 216 566-5100

June 8, 2001

Dear Users of the Authority's Financial Statements:

The accompanying financial statements of the Authority as of and for the year ended December 31, 2000 include the financial statements and notes required under accounting principles generally accepted in the United States of America that are essential to fair presentation of the Authority's financial position, results of operations and cash flows. Additional information regarding the Authority's financial activities for 2000 is available in the Authority's separately issued Comprehensive Annual Financial Report ("CAFR") for the year ended December 31, 2000. Copies of the CAFR can be obtained by contacting me at:

Greater Cleveland Regional Transit Authority
1240 West Sixth Street
Cleveland, Ohio 44113

Telephone: (216) 566-5275

Sincerely,

Loretta Kirk
Deputy General Manager
Finance and Administration

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Deloitte & Touche LLP
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Deloitte & Touche

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Greater Cleveland Regional Transit Authority
Cleveland, Ohio 44113

We have audited the accompanying financial statements of the Greater Cleveland Regional Transit Authority (the "Authority") as of December 31, 2000 and 1999 and for the years then ended, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Authority. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Authority as of December 31, 2000 and 1999 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of the Authority taken as a whole. The accompanying supplemental schedule of expenditures of federal awards for the year ended December 31, 2000 is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. This schedule is the responsibility of the Authority's management. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 8, 2001 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

June 8, 2001

Deloitte
Touche
Tohmatsu

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
COMPARATIVE BALANCE SHEETS
December 31, 2000 and 1999

ASSETS	2000	1999
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 14,699,470	$ 6,773,903
Investments	8,955,557	16,537,496
Receivables:		
Sales and Use Tax	26,138,697	24,895,279
State Operating Assistance	442,259	0
Accrued Interest and Other	605,063	1,091,405
Materials and Supplies Inventory	9,446,424	9,562,595
Total Current Assets	60,287,470	58,860,678
RESTRICTED ASSETS:		
Cash and Cash Equivalents	21,058,972	6,395,686
Investments	5,543,913	23,230,504
Receivables:		
Accrued Interest and Other	44,045	185,291
State Capital Assistance	907,101	154,822
Federal Capital Assistance	1,790,462	2,407,714
Total Restricted Assets	29,344,493	32,374,017
PROPERTY, FACILITIES AND EQUIPMENT		
Land	18,388,176	16,869,622
Right-of-Ways	256,840,059	255,347,797
Buildings, Improvements, Furniture and Fixtures	364,669,014	351,204,364
Transportation and Other Equipment	298,016,931	290,605,319
Construction in Progress	40,849,882	34,038,846
Total	978,764,062	948,065,948
Less Accumulated Depreciation	(389,607,930)	(358,625,809)
Property, Facilities and Equipment-Net	589,156,132	589,440,139
OTHER NON-CURRENT ASSETS:		
Receivables-State Contribution	3,315,000	4,860,000
TOTAL ASSETS	$ 682,103,095	$685,534,834

LIABILITIES AND EQUITY	2000	1999
CURRENT LIABILITIES:		
Accounts Payable	$ 7,271,632	$ 4,206,201
Accrued Compensation	21,510,000	20,475,503
Other Accrued Expenses	2,096,140	1,244,051
Interest Payable – Bonds	412,646	426,564
Current Portion of Long-Term Debt	4,140,347	3,835,000
Self-Insurance Liabilities – Current Portion	5,124,181	5,182,714
Total Current Liabilities	40,554,946	35,370,033
CURRENT LIABILTIES PAYABLE FROM RESTRICTED ASSETS:		
Contracts and Other Payables	5,758,256	6,003,338
Contract Retainers	1,596,654	39,284
Total Current Liabilities Payable from Restricted Assets	7,354,910	6,042,622
NON-CURRENT LIABILITES:		
Long-Term Debt	97,097,639	96,085,156
Self-Insurance Liabilities	9,516,335	9,625,041
Capital Lease Obligation	3,315,000	4,860,000
Deferred Revenue	1,361,806	1,520,331
Deferred Contributed Capital	3,315,000	4,860,000
Other	1,184,925	1,589,431
Total Non-Current Liabilities	115,790,705	118,539,959
Total Liabilities	163,700,561	159,952,614
EQUITY:		
Contributed Capital:		
Federal Grants	365,803,294	362,383,910
State Grants	35,191,384	36,394,590
Total Contributed Capital	400,994,678	398,778,500
Retained Earnings	117,407,856	126,803,720
Total Equity	518,402,534	525,582,220
TOTAL LIABILITIES AND EQUITY	$ 682,103,095	$ 685,534,834

See notes to financial statements.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	2000	1999
OPERATING REVENUES:		
Passenger Fares	$ 41,583,403	$ 41,773,055
Advertising and Concessions	3,005,320	2,258,364
Total Operating Revenues	44,588,723	44,031,419
OPERATING EXPENSES:		
Labor	110,881,264	108,278,894
Fringe Benefits	43,693,867	44,528,639
Materials and Supplies	23,184,688	17,774,378
Services	13,431,625	9,993,990
Utilities	7,676,277	7,475,593
Self-Insurance Claims	5,584,150	2,814,301
Purchased Transportation	9,817,965	9,032,885
Leases and Rentals	616,924	562,946
Taxes	1,366,468	1,212,274
Miscellaneous	4,016,635	5,008,781
Total Operating Expenses Excluding Depreciation	220,269,863	206,682,681
OPERATING LOSS BEFORE DEPRECIATION EXPENSE	(175,681,140)	(162,651,262)
DEPRECIATION EXPENSE:		
On Assets Acquired with Capital Grants	29,674,795	29,111,058
On Assets Acquired with Authority Equity	7,418,699	7,277,764
Total Depreciation Expense	37,093,494	36,388,822
OPERATING LOSS	(212,774,634)	(199,040,084)
NON-OPERATING REVENUES (EXPENSES):		
Sales and Use Tax Revenues	161,991,565	151,405,646
Federal Grants and Reimbursements	5,540,224	2,936,393
State Grants, Reimbursements, and Special Fare Assistance	6,178,290	6,501,510
Investment Income	2,743,549	2,653,670
Interest Expense	(5,672,442)	(5,890,794)
Gain (Loss) on disposal of fixed assets	2,213,468	(1,267,385)
Other Income	709,321	377,356
Total Non-operating Income – Net	173,703,975	156,716,396
NET LOSS	$ (39,070,659)	$ (42,323,688)

See notes to financial statements. **(Continued)**

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999
(Continued)

	2000	1999
Net Loss	$ (39,070,659)	$ (42,323,688)
Depreciation of Fixed Assets acquired with Capital Grants	29,674,795	29,111,058
Increase (Decrease) in Retained Earnings	(9,395,864)	(13,212,630)
Retained Earnings, Beginning of Year	126,803,720	140,016,350
Retained Earnings, End of Year	117,407,856	126,803,720
Contributed Capital, Beginning of Year	398,778,500	396,308,955
Contributed Capital, During the Year:		
Federal Grants	27,159,220	24,298,128
State Grants	4,731,753	7,282,475
Depreciation on Fixed Assets Acquired with Capital Grants	(29,674,795)	(29,111,058)
Contributed Capital, End of Year	400,994,678	398,778,500
Equity, End of Year	$ 518,402,534	$ 525,582,220

See notes to financial statements.

(Concluded)

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	2000	1999
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Cash received from customers	$ 45,216,311	$ 43,517,819
Cash payments to suppliers for goods and services	(56,076,890)	(51,140,329)
Cash payments to employees for services	(111,277,058)	(107,415,389)
Cash payments for employee benefits	(42,668,083)	(44,528,639)
Cash payments for casualty and liability	(5,751,389)	(4,814,542)
Net cash used in operating activities	(170,557,109)	(164,381,080)
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES:		
Sales and use taxes received	160,748,147	151,265,961
Grants, reimbursements and special fare assistance:		
Federal	5,540,224	2,936,393
State	5,736,031	9,200,736
Other revenue	559,593	298,976
Net cash provided by non-capital financing activities	172,583,995	163,702,066
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:		
Federal capital grants received	27,776,472	22,913,981
State capital grants received	2,208,334	5,641,782
Proceeds from State Infrastructure Bank Loan	4,867,879	0
Proceeds from disposal of land	3,300,000	0
Acquisition and construction of fixed assets	(36,530,360)	(33,296,204)
Principal paid on bond maturities	(3,835,000)	(3,620,000)
Interest paid on bonds and other debt	(5,175,268)	(5,336,239)
Net cash used in capital and related financing activities	(7,387,943)	(13,696,680)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Proceeds from maturities of investments	35,146,675	61,953,912
Purchases of investments	(9,878,145)	(86,309,293)
Interest received from investments	2,681,380	2,814,221
Net cash provided by (used in) investing activities	27,949,910	(21,541,160)
Net Increase (Decrease) In Cash and Cash Equivalents	22,588,853	(35,916,854)
Cash and Cash Equivalents, Beginning of Year	13,169,589	49,086,443
Cash and Cash Equivalents, End of Year	$ 35,758,442	$ 13,169,589

See notes to financial statements.

(Continued)

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999
(Continued)

	2000	1999
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating Loss	$(212,774,634)	$(199,040,084)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	37,093,494	36,388,822
Change in assets and liabilities:		
(Increase) decrease in other receivables	627,588	(513,600)
(Increase) decrease in materials and supplies inventory	116,171	(239,313)
Increase (decrease) in accounts payable, accrued compensation, self-insurance liabilities and other	4,380,272	(976,905)
Net Cash Used In Operating Activities	$(170,557,109)	$(164,381,080)

See notes to financial statements.

(Concluded)

1. DESCRIPTION OF AUTHORITY OPERATIONS AND DEFINITION OF THE ENTITY

A) **The Authority -** The Greater Cleveland Regional Transit Authority (the "Authority" or "GCRTA") is an independent, special purpose political subdivision of the State of Ohio (the "State") with powers derived from Sections 306.30 through 306.71 of the Ohio Revised Code. The Authority has territorial boundaries and jurisdiction coextensive with the territorial boundaries of Cuyahoga County. As a political subdivision, it is distinct from, and is not an agency of, the State and the County or any other local governmental unit. The Authority was created on December 30, 1974, by ordinance of the Council of the City of Cleveland and by resolution of the Board of County Commissioners of Cuyahoga County and became operational on September 5, 1975.

Under Ohio law, the Authority is authorized to levy a sales and use tax for transit purposes, including both capital improvement and operating expenses, at the rate of 0.25, 0.5, 1, or 1.5 if approved by a majority of the electors residing within the territorial boundaries of the Authority. Such a sales and use tax is in addition to the sales and use taxes levied by the State and the County. On July 22, 1975, the voters of the County approved a 1% sales and use tax with no limit on its duration.

The Authority also has the power, under Section 306.40 of the Ohio Revised Code, to levy and collect both voted (after approval at an election) and unvoted ad valorem taxes on all the taxable property within the territorial boundaries of the Authority, in order to pay debt service on its bonds and notes issued in anticipation thereof. Ad valorem taxes have not been levied through 2000.

The Authority is managed by a ten-member Board of Trustees and provides directly, or under contract, virtually all-mass transportation within the County.

The Authority is not subject to federal or state income taxes.

B) **Reporting Entity -**"The Financial Reporting Entity," as defined by Statement No. 14 of the Governmental Accounting Standards Board ("GASB"), is comprised of the primary government and its component units. The primary government includes all departments and operations of the Authority, which are not legally separate organizations. Component units are legally separate organizations which are fiscally dependent on the Authority or for which the Authority is financially accountable.

An organization is fiscally dependent if it must receive the Authority's approval for its budget, the levying of taxes or the issuance of debt. The Authority is financially accountable for an organization if it appoints a majority of the organization's board, and either a) has the ability to impose its will on the organization or b) there is the potential for the organization to provide a financial benefit to or impose a financial burden on the Authority. The reporting entity of the Authority consists solely of the primary government. There are no component units.

Under the guidelines of GASB Statement No. 14, the Authority is a jointly governed organization. Of its ten member board, four of the members are appointed by the Mayor of Cleveland with the consent of City Council; three members, one of whom must reside in the City of Cleveland, are appointed by the County Commissioners; the remaining three members are elected by an association of suburban mayors, city managers, and township trustees. None of the participating governments appoints a majority of the Authority's board and none has an ongoing financial interest or responsibility. None of the participating governments provided any support or had any significant financial transactions with the Authority during 2000.

As discussed in Note 7, the Authority contracts with two municipalities for assistance in providing transit service within the County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the GASB and other recognized authoritative sources. The Authority also applies Financial Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989, to the extent that they do not contradict/conflict with GASB pronouncements.

Basis of Accounting - The Authority follows the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position and cash flows. All transactions are accounted for in a single enterprise fund.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investment Securities - Investments are stated at fair value.

Materials and Supplies Inventory - Materials and supplies inventory are stated at average cost. Inventory generally consists of maintenance parts and supplies for rolling stock and other transportation equipment. In accordance with industry practice, all inventories are classified as current assets even though a portion of the inventories is not expected to be utilized within one year.

Property and Depreciation - Property, facilities and equipment are stated at historical cost. The cost of normal maintenance and repairs is charged to operations as incurred. Improvements and interest are capitalized and depreciated over the remaining useful lives of the related properties. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

Description	Years
Buildings and improvements	20-60
Transportation and other equipment	5-15
Furniture and fixtures	3-15
Rolling stock	7-12

Depreciation on fixed assets acquired or constructed through grants externally restricted for capital acquisitions are closed to the appropriate contributed capital account.

Restricted Assets - Restricted assets consist of monies and other resources, the use of which is legally restricted for the following purposes:

- Capital acquisition and construction
- Self-insurance; catastrophic losses
- Law enforcement

Recognition of Revenue and Receivables - Passenger fares are recorded as revenue at the time services are performed.

Sales and use tax revenues are recognized in the month collected by the State.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The federal government, through the Federal Transit Administration ("FTA") and the Ohio Department of Transportation ("ODOT"), provide financial assistance and make grants directly to the Authority for operations and acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenues over the entitlement periods. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to contributed capital when the related qualified expenditures are incurred. Capital grants for the maintenance of property, plant and equipment are recorded as grant receivables and credited to nonoperating revenues in the period operating expenditures are incurred. Capital grants received in advance of project costs being incurred are deferred.

Compensated Absences - The Authority accrues vacation benefits as earned by its employees. Unused vacation benefits are paid to the employees upon separation from service. Vacation days are limited to a maximum of fifty days.

Self-Insurance Liabilities and Expense - The Authority has a self-insurance program for public liability and property damage claims. The Authority also operates a self-insurance program for workers' compensation claims. For workers' compensation claims awarded, the Authority pays the same benefits as would be paid by the State of Ohio Bureau of Workers' Compensation.

Both programs are administered by the Authority. Claims are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management and legal counsel of the Authority. Also provided for are estimates of claims incurred during the year but not yet reported.

Budgetary Accounting and Control - The Authority's annual budget, as provided by law, is based upon accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The major differences between the budget basis and GAAP basis are:

1) Revenues are recorded when received (budget) as opposed to when earned (GAAP);

2) Expenses are recorded when paid or encumbered (budget) as opposed to when the liability is incurred (GAAP); and

3) Budget basis includes proceeds of long-term debt and capital grants as revenues and capital outlay and debt principal payments as expenses, and excludes depreciation on, as well as gains and losses on disposition of, property and equipment.

Reported budgeted amounts are as originally adopted and amended by appropriations resolutions passed by the Board. Three budget amendments were passed by the Board during 2000, increasing 2000 appropriations by $2.0 million, and three budget amendments were passed by the Board during 1999, increasing 1999 appropriations by $4.4 million.
The budget for each division and department is represented by appropriations. Any increase in the total Authority appropriations must be approved by the Board. Any inter-divisional budget transfers must be approved by the General Manager. Appropriations to applicable departments within a division and to accounts within a department may be modified by the appropriate Deputy General Manager and the Financial Planning & Budgeting Department. All budget transfers must be reported to the Board within 30 days after the end of the month in which the transfer occurred.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The investment and deposit of Authority monies is governed by the provisions of the Bylaws of the Authority and the Ohio Revised Code. In accordance with these provisions, only banks located in Ohio and domestic saving and loan associations are eligible to hold public deposits. The provisions also permit the Authority to invest its monies in certificates of deposit, savings accounts, money market accounts, the state treasurer's investment pool (STAROhio), and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible dealer who is a member of the National Association of Securities Dealers for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities the face value of which is at least 110% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require that security maintained for public deposits and investments be held in the Authority's name.

The Authority is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The Authority is also prohibited from investing in reverse repurchase agreements.

Deposits - The carrying amount of the Authority's deposits was a negative $308,050 at December 31, 2000 with a $1,029,775 bank balance. Of the bank balance, $100,000 was covered by federal depository insurance. The remaining balance, $929,775 was uninsured and uncollateralized as defined by the GASB. The uncollateralized deposits were, however, covered by various financial institutions' risk pools for public deposits as permitted under the Ohio Revised Code Section 135.

Investments – The Authority's investments are detailed below and are categorized to give an indication of the level of credit risk assumed as of year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes investments that are uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the Authority's name. Category 3 includes uninsured or unregistered investments for which securities are held by the counterparty or by its trust department or agent but not in the Authority's name. Balances with Star Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

STAROhio is an investment pool created pursuant to Ohio statutes and managed by the Treasurer of the State of Ohio. This investment is not classified by credit risk category because it does not exist in physical or book entry form. The fair value of the Authority's position in the investment pool is equal to the fair value of the underlying assets of the pool. STAROhio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

Description	Risk Category 1	2	3	Fair Value/ Carrying Value
U.S. Government and Agency Securities	$15,491,171			$15,491,171
Investment in state treasurer's investment pool (STAROhio)				35,074,791
Total				$50,565,962

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

At December 31, 2000, the Authority's cash, cash equivalents and investments consist of the following:

Demand deposits	$ (308,050)
Investments	50,565,962
Total	$ 50,257,912

The balances are included in the accompanying December 31, 2000 balance sheet under the following captions:

Current Assets:	
Cash and cash equivalents	$ 14,699,470
Investments	8,955,557
Restricted Assets:	
Cash and cash equivalents	21,058,972
Investments	5,543,913
Total	$ 50,257,912

4. CONSTRUCTION IN PROGRESS AND COMMITMENTS

During 2000, major construction projects aggregating $13.5 million were completed and transferred to the appropriate property, facilities and equipment accounts. Major projects included the rehabilitation of rail track and bridges ($3.4 million) and the rehabilitation of the Triskett Rail Station ($10.1 million). Included in the December 31, 2000 construction in progress balance are costs associated with further right-of-way, rail track and bridge rehabilitation, the Triskett bus garage rehabilitation, the Brookpark rail station rehabilitation, the West 65th rail station rehabilitation, the Euclid Corridor project, and various other projects. Remaining costs to complete these projects as of December 31, 2000, which will extend over a period of several years, total $117.3 million. Approximately $88.5 million of these costs are eligible for reimbursement under approved capital grants. The remaining portion of these costs is the responsibility of the Authority and will be funded with sales tax revenue or long-term debt.

5. LONG TERM DEBT

Long-term debt consists of the following:

LOAN & GENERAL OBLIGATION BONDS PAYABLE:	December 31, 2000	1999
Capital improvement bonds, Series 1996, due annually to 2011 at an average rate of 5.24%	$ 38,460,000	$ 41,065,000
Capital improvement bonds, Series 1998, due annually to 2018 at an average rate of 4.61%	30,800,000	31,900,000
Capital improvement refunding bonds, Series 1998R, due annually to 2016 at an average rate of 4.17%	28,770,000	28,900,000
State Infrastructure Bank Loan due annually to 2014 at a fixed rate of 4.25%	4,867,879	
Total debt	102,897,879	101,865,000
Deferred amount on refunding	(1,700,393)	(1,987,594)
Premium on Series 1998 bonds	40,500	42,750
Long-term debt	101,237,986	99,920,156
Less current portion	4,140,347	3,835,000
Long-term portion	$ 97,097,639	$ 96,085,156

Certain bonds maturing after December 31, 2006 are subject to optional redemption by the Authority prior to maturity.

On November 15, 1998, the Authority issued $28,965,000 of general obligation capital improvement refunding bonds. A portion of the proceeds of the bonds was used for the advance refunding of $26,425,000 of the 1996 capital improvement bonds. The proceeds were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The total amount of funds available in the trust at December 31, 2000 was $27,287,563. The refunded bonds, which have an outstanding balance of $26,425,000 at December 31, 2000 are not included in the Authority's outstanding debt since the Authority has satisfied its obligations through the advance refunding. The principal balance of the general obligation capital improvement refunding bonds at December 31, 2000 was $28,770,000.

The 1998 general obligation capital improvement refunding bonds' advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $2,288,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations in proportion to stated interest requirements through the year 2006.

In 1998, the Authority entered into a loan agreement with the State of Ohio, Department of Transportation for a State Infrastructure Bank loan in an amount not to exceed $6,945,000 to be repaid over a fifteen year period at an annual rate of 4.25%. During 2000, the Authority borrowed $4,867,879 under this loan agreement to finance the rehabilitation of the Cuyahoga River Viaduct Project.

5. LONG TERM DEBT (Cont'd.)

The annual requirements to pay principal and interest on the bonds and loan outstanding at December 31, 2000 are as follows:

Year	Principal	Interest
2001	$ 4,140,347	$ 5,055,193
2002	4,449,385	4,971,144
2003	4,651,384	4,769,326
2004	4,863,899	4,554,560
2005	5,091,952	4,286,403
2006 and thereafter	79,700,912	26,809,849
Total	**$ 102,897,879**	**$ 50,446,475**

6. CAPITAL LEASE OBLIGATION

In 1995, $10 million Series 1995 Certificates of Participation were issued by a bank to fund a portion of the construction of the Waterfront Transit Line Project. In connection with the issuance of the Series 1995 Certificates of Participation, the Authority entered into a capital lease agreement (as lessee) with McDonald Financial Services, Inc. (MFSI) for certain parcels of real property together with all buildings, structures, and other improvements related to the Waterfront Transit Line Project.

The Authority has entered into an agreement with the State of Ohio Department of Transportation (ODOT) whereby ODOT has agreed to make payments to the Authority in amounts equal to the payments required under the capital leases. The payments by ODOT to the Authority are subject to receipt by ODOT of appropriations of sufficient amounts of money for that purpose by the General Assembly of the state of Ohio and the Certification as to the availability of such funds by the State Director of Budget and Management pursuant to Section 126.07 of the Ohio Revised Code (the "OMB Certification"). The Authority has recognized a long-term receivable and deferred capital contribution from ODOT related to this agreement. Contributed capital is recognized upon receipt of the annual payments made by ODOT.

Future capital lease payments are as follows as of December 31, 2000:

YEAR	TOTAL PAYMENTS
2001	$ 1,775,842
2002	1,775,512
Total Lease Payments	$ 3,551,354
Less amount representing interest	(236,354)
Present Value of Lease Payments	$ 3,315,000

7. PURCHASED TRANSPORTATION SERVICES

During 2000 and 1999, the Authority had operating agreements with two Ohio cities that provide transit services within Cuyahoga County. The agreements provide for a fixed rate of reimbursement based on actual vehicle miles and standard operator platform hours. Expenses under these agreements were $7,610,981 in 2000 and $7,674,445 in 1999. All passenger fares related to these transit services are collected by the Authority and recorded as revenue.

In addition, the Authority has a contract with a local taxi company to provide transit services within Cuyahoga County for elderly and handicapped persons. Expenses under this contract amounted to $2,206,984 in 2000 and $1,358,440 in 1999.

8. GRANTS, REIMBURSEMENTS AND SPECIAL FARE ASSISTANCE

Grants, reimbursements and special fare assistance included in the comparative statements of revenues, expenses and changes in equity for the years ended December 31 consist of the following:

	2000	1999
FEDERAL:		
FTA Maintenance Assistance	$ 5,540,224	$ 2,936,393
Total	$ 5,540,224	$ 2,936,393
STATE:		
ODOT Maintenance Assistance	$ 4,757,935	$ 4,826,195
ODOT Elderly and Handicapped Grants	291,303	567,581
ODOT Fuel Tax Reimbursement	1,129,052	1,107,734
Total	$ 6,178,290	$ 6,501,510

9. CONTINGENCIES

Federal and State Grants - Under the terms of the various grants, periodic audits are required where certain costs could be questioned as not being an eligible expenditure under the terms of the grant. At December 31, 2000, there were no significant questioned costs that had not been resolved with the applicable federal and state agencies. Questioned costs could still be identified during audits to be conducted in the future. In the opinion of the Authority's management, no material grant expenditures will be disallowed.

Contract Disputes and Legal Proceedings - The Authority has been named as a defendant in a number of contract disputes and other legal proceedings. Although the eventual outcome of these matters cannot be predicted, it is the opinion of management that the ultimate liability is not expected to have a material effect on the Authority's financial position.

10. RETIREMENT BENEFITS

PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description - All full time employees of the Authority participate in the Public Employees Retirement System of Ohio (PERS). It is a cost -sharing multiple-employer defined benefit pension plan created by the State. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code assigns the authority to establish and amend benefits to the PERS Board of Trustees. PERS issues a stand-alone financial report. A copy of the report may be obtained by making a written request to the Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085.

Funding Policy - The Ohio Revised Code provides statutory authority for employee and employer contributions which are summarized as follows:

	Contribution Rate as a % of Covered Salaries	Contributions		
		2000	1999	1998
By Authority	10.84 – 13.55	$13,395,931	$ 16,113,397	$15,499,329
Less healthcare portion	4.20 – 4.30	(5,313,884)	(4,994,559)	(4,804,220)
Required employer contribution		8,082,047	11,118,838	10,695,109
By employees	8.50	10,504,190	10,108,035	9,722,826
Total pension contributions		$18,586,237	$ 21,226,873	$20,417,935

The pension contributions equaled the required contributions for each of the last three years.

The Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for both the state and local government divisions and 6% for law enforcement divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

Healthcare - PERS provides postretirement healthcare coverage to age and service retirants with 10 or more years of qualifying Ohio service credit. Healthcare coverage for disability recipients and primary survivor recipients are also available.

The healthcare coverage provided by the retirement system is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to PERS (4.3% of the total 10.84% contributed in 2000) is set-aside for the funding of postretirement healthcare. The Ohio Revised Code provides the statutory authority requiring public employers to fund pension and postretirement healthcare through their contributions to PERS. The statutory healthcare contribution requirement from the Authority for years ended December 31, 2000 and 1999 (which is included in the Authority's total PERS contribution) was $5,513,884 and $4,994,559, respectively. At December 31, 2000, the Authority was not responsible for paying premiums, contributions or claims for OPEB under PERS for any retirees, terminated employees or other beneficiaries.

OPEB is financed through employer contributions and investment earnings thereon. The contributions allocated to retiree healthcare, along with investment income on allocated assets and periodic adjustments in healthcare provisions are expected to be sufficient to sustain the program indefinitely.

11. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to third party liability claims; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has a contract with an outside insurance company to provide all-risk property coverage with various limits on property and equipment of the Authority. The maximum limit of liability in any one occurrence regardless of the number of locations or coverages involved, cannot exceed $657,000,000 and the deductible is $250,000 so there is substantial insurance protection in this area. The Authority also purchases excess liability insurance to protect its assets against severe losses. This umbrella liability coverage is in the amount of $75,000,000 per occurrence in excess of the $5,000,000 self-insured retention. In essence, the Authority is self-insured for third party or public liability but has protection for the catastrophic loss exposure. Settled claims have not exceeded coverage in any of the last three years.

The Authority provides employees healthcare benefits, which include medical, drug, dental, and vision. These benefits are provided through both insured and self-funded plans under group insurance agreements.

The Authority also operates a self-insurance program for workers' compensation claims. Excess workers' compensation insurance coverage protects the Authority in excess of $350,000 per accident. The GCRTA, by resolution of the Board of Trustees, established an insurance fund in fiscal year 1980 to accumulate monies to satisfy catastrophic or extraordinary losses. The insurance fund as of December 31, 2000 was $5.0 million and is recorded in restricted assets in the accompanying balance sheets.

Changes in the Authority's self insurance liabilities for public liability and worker's compensation claims in 2000 and 1999 were:

Year	Balance Beginning of Year	Incurred Claims	Payments	Balance End of Year
2000	$ 14,807,755	$ 5,584,150	$ 5,751,389	$ 14,640,516
1999	16,807,996	2,814,301	4,814,542	14,807,755

12. NEW ACCOUNTING STANDARDS

The Governmental Accounting Standards Board has issued Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions" and Statement No. 34 , "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments". These statements establish accounting standards for non-exchange transactions such as sales taxes, grants and other assistance provided to the Authority by other governmental units and revise accounting and reporting standards for general purpose external financial reporting by governmental units. Statement No. 33 is effective for the Authority's year ending December 31, 2001 and Statement No. 34 is effective for the year ending December 31, 2002. The Authority has not completed an analysis of the impact of these two statements on its reported financial condition and results of operations.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2000

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Federal Transit Cluster/Direct Programs:			
Federal Transit Administration Capital and and Operating Assistance Formula Grants	20.507	N/A	$ 18,824,832
Federal Transit Administration Capital Improvement Grants	20.500	N/A	10,804,306
Pass-through Ohio Department of Transportation:			
Federal Transit Administration Capital Improvement Grants		OH-90-0323	579,406
		OH-90-0346	1,900,000
Total CFDA #20.500			13,283,712
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 32,108,544

See notes to supplemental schedule of expenditures of federal awards.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2000

1. BASIS OF PRESENTATION

The accompanying Supplemental Schedule of Expenditures of Federal Awards (the "Schedule") reflects the expenditures of the Greater Cleveland Regional Transit Authority under programs financed by the U.S. government for the year ended December 31, 2000. The Schedule has been prepared in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

2. SUBRECIPIENT

Of the federal expenditures presented in the Schedule, the Authority provided federal awards to a subrecipient as follows:

Program Title	Federal CFDA No.	2000 Grant Expenditures
Federal Transit Administration Capital and Operating Assistance Formula Grants	20.507	$ 238,576

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON THE AUDIT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Greater Cleveland Regional Transit Authority
Cleveland, Ohio

We have audited the financial statements of the Greater Cleveland Regional Transit Authority (the "Authority") as of and for the year ended December 31, 2000 and have issued our report thereon dated June 8, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted immaterial instances of noncompliance that we have reported to management of the Authority in the accompanying Status of Prior Year Audit and Federal Transit Administration Triennial Review Findings and in a separate letter dated June 8, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatement in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Authority in the accompanying Status of Prior Year Audit and Federal Transit Administration Triennial Review Findings and in a separate letter dated June 8, 2001.

This report is intended solely for the information and use of the Board of Trustees, management, the Auditor of the State of Ohio, and federal awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Deloitte & Touche LLP

June 8, 2001

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM

Board of Trustees
Greater Cleveland Regional Transit Authority
Cleveland, Ohio

Compliance

We have audited the compliance of the Greater Cleveland Regional Transit Authority (the "Authority") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the year ended December 31, 2000. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2000.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on its major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Trustees, management, the Auditor of the State of Ohio and federal awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Deloitte & Touche LLP

June 8, 2001

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2000

SUMMARY OF AUDITORS' RESULTS

- Type of Report issued on the Financial Statements as of and for the Year Ended December 31, 2000 - Unqualified.
- Reportable Conditions in Internal Control Disclosed by the Audit of the Financial Statements - N/A. (None reported)
- Noncompliance Noted that is Material to the Financial Statements of the Authority - None.
- Reportable Conditions in Internal Control Over Major Federal Financial Assistance Programs Disclosed by the Audit of the Financial Statements - N/A (None reported).
- Type of Report Issued on Compliance for Major Federal Financial Assistance Programs - Unqualified.
- The audit did not disclose any audit findings that are required to be reported under Section 501(a) of OMB Circular A-133.
- Major Federal Financial Assistance Programs Identified for the Year Ended December 31, 2000:

  Federal Transit Cluster:

  CFDA #20.507 Federal Transit Administration - Capital and Operating Assistance Formula Grants

  CFDA #20.500 Federal Transit Administration - Capital Improvement Grants
- Dollar Threshold Used to Distinguish Between Type A and Type B Programs - $963,256.
- The Authority is considered to be a Low-Risk Auditee as defined under OMB Circular A-133.

Findings Related to the Financial Statements that are Required to be Reported Under *Government Auditing Standards*

None

Findings and Questioned Costs Relating to Federal Awards

None

STATUS OF PRIOR YEAR AUDIT AND FEDERAL TRANSIT ADMINISTRATION TRIENNIAL REVIEW FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2000

STATUS OF PRIOR YEAR AUDIT FINDINGS

DEPARTMENT OF TRANSPORTATION

Finding: **99-1**

Program Name: Federal Transit Administration Capital and Operating Assistance Formula Grants

Federal Transit Administration Capital Improvement Grants

CFDA No. 20.507 and 20.500

Compliance - Allowable Costs/Costs Principles - Indirect Costs

Criteria: OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, allows reimbursement of indirect costs at a rate established in an approved indirect cost rate proposal.

Condition: The Authority used an incorrect higher rate to claim reimbursement for indirect costs.

Effect: The Authority is not in compliance with OMB Circular A-87 for the program.

Cause: Individuals responsible for requesting federal reimbursements were not adequately informed of the correct reimbursement rate.

Recommendation: Individuals responsible for requesting federal reimbursement should be informed of the correct reimbursement rate. In addition, the Authority should implement a procedure for the review of federal reimbursements for the proper reimbursement rate.

Questioned Costs: $309,971

Status: The Authority reimbursed the Federal Transit Administration in March 2000 for all prior reimbursements made at the higher incorrect rate, and are currently utilizing the correct indirect cost rate for federal reimbursements.

FEDERAL TRANSIT ADMINISTRATION TRIENNIAL REVIEW

During 2001, the Federal Transit Administration ("FTA") performed a Triennial Review of the Authority's operations and issued a draft report dated March 22, 2001. This report noted the following instances of non-compliance, which are not considered material to the Authority's financial statements or federal award programs.

STATUS OF PRIOR YEAR AUDIT AND FEDERAL TRANSIT ADMINISTRATION TRIENNIAL REVIEW FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2000

MILESTONE PROGRESS REPORTS

Observation: Milestone Progress Reports ("MPRs") are being filed on time, but do not contain all of the required narrative information (e.g., a discussion of budget or schedule changes, status of milestones, reasons why milestones were not met, unforeseen events that impact project schedule, cost, or purpose, etc.).

Corrective Action: Beginning with quarter ending June 30, 2001, the Authority must prepare and submit MPRs with all of the required narrative information.

Authority Response: The Authority will prepare and submit MPRs with all of the required narrative information.

GRANT AVAILABILITY PERIOD

Observation: The Authority is not closing its grants in a timely manner. This is a repeat finding from the 1998 triennial review. Practices by the Authority that delayed the closing of a grant past its original completion date based on the grant obligation date included the following: 1) the Authority does not draw down funds from the oldest grant when multiple grants fund a project, 2) project managers do not close out purchase orders immediately when projects are complete, 3) the Authority holds grants open until the last purchase order is closed even if there are no funds left in the grant, and 4) the Authority funded the design engineers on older grants for the life of a construction project from one grant instead of funding the design and construction oversight from different grants.

Corrective Action: The Authority must close out its active grants based on revised closing dates provided by the FTA. The Authority must provide quarterly status reports, separate from the MPRs, that outline the progress made in accomplishing grant close outs to the FTA.

Authority Response: In accordance with the grant closeout schedule provided by the FTA, the Authority will actively complete grant activities and close out grants. The Authority will also provide the FTA with quarterly updates on grant close outs.

REAL PROPERTY, FACILITIES AND EQUIPMENT

Observation: The Authority disposed of equipment that was FTA funded and did not reimburse the FTA for its share of the proceeds sold for more than $5,000 which totaled $23,522.

Corrective Action: The Authority will reimburse the FTA for its share of the proceeds of the equipment sold for more than $5,000, within 30 days of the FTA's draft report.

Authority Response: The Authority has reimbursed the FTA for the federal portion of sales proceeds received from the disposition of FTA funded equipment.

Observation: The Authority acquired two real property parcels for $1,531,995 and $1,291,358, respectively. These purchases were partially funded by the FTA. The FTA has challenged whether the Authority obtained proper advance approval of the purchase.

Corrective Action: Within 30 days of the FTA's draft report, the Authority must submit to the FTA documentation, in accordance with FTA guidelines, to determine if the real property acquisitions are eligible for Federal participation.

Authority Response: The Authority has submitted documentation to the FTA in support of the real property purchases. The FTA is reviewing the documentation to determine if the real property acquisitions are eligible for Federal participation.

MAINTENANCE

Observation: The Authority did not perform preventative maintenance within prescribed mileage limits for paratransit vehicles.

The Authority does not obtain monthly performance data from North Olmsted and Maple Heights for federally funded vehicles and does not include the two in its monthly maintenance reports for tracking scheduled maintenance.

Corrective Action: Beginning with the quarter ending June 30, 2001, the Authority must submit documentation quarterly to the FTA on paratransit vehicle preventative maintenance inspections. The Authority must continue to submit the documentation until the preventative maintenance inspections are being performed according to schedule for three consecutive quarters.

Authority Response: The Authority will submit inspection logs for all paratransit vehicles to the FTA beginning with the quarter ending June 30, 2001 until inspections are being performed according to schedule for three consecutive quarters.

TITLE VI

Observation: The Authority has written policies/standards for the five transit service indicators, including transit amenities. However, the Authority has not conducted a Title VI assessment of its transit amenities pursuant to FTA guidelines.

Corrective Action: Within 60 days of the FTA's draft report, the Authority will provide documentation to the FTA Office of Civil Rights that is has conducted a Title VI assessment of its transit amenities pursuant to FTA guidelines.

Authority Response: The Authority has provided documentation to the FTA Office of Civil Rights that it has conducted a Title VI assessment of its transit amenities pursuant to FTA Guidelines. The results of this assessment noted that 39.5 percent of the Authority's shelters are located in neighborhoods where the concentration of minority population is equal or greater than the average of the Authority's service area (28 percent).

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

STATUS OF PRIOR YEAR AUDIT AND FEDERAL TRANSIT ADMINISTRATION TRIENNIAL REVIEW FINDINGS FOR THE YEAR ENDED DECEMBER 31, 2000

FARE PRICES

***Observation**:* Several Authority public timetables associated with recent service changes have information on the base fare but do not contain information on the half-price fare for the elderly, persons with disabilities, and persons with a Medicare card.

Corrective Action: Within 60 days of the FTA's draft report, the Authority must provide the FTA with a written assurance that, within 365 days, it will republish its public timetables with fare information to conform to the half fare requirement. Beginning with the quarter ending June 30, 2001, the Authority will report quarterly to the FTA on its progress on republishing the public timetables until completion.

Authority Response: The Authority has provided written assurance to the FTA that, within 365 days, it will comply with the half fare requirements. In addition, the Authority will report quarterly to the FTA on its progress towards including the required half fare information on public timetables.

AMERICANS WITH DISABILITIES ACT OF 1990 ("ADA")

Observation: The ADA regulations detail specific service requirements that must be implemented (e.g. stop announcements, vehicle identification mechanisms at multi-route stops, etc.). The Authority could not provide reasonable documentation to demonstrate that operators are trained in these requirements and that these requirements are enforced.

Corrective Action: The Authority, within 90 days of the FTA's draft report, must implement the corrective actions pursuant to the findings and recommendations of the ADA Paratransit Assessment performed by the FTA, and submit documentation of the completed corrective actions to the FTA. Within 60 days, the Authority must submit documentation to the FTA that it has implemented the ADA service provisions, including training and enforcement.

Authority Response: The Authority will implement all corrective actions pursuant to the findings and recommendations of the ADA Paratransit Assessment performed by the FTA and submit documentation of the completed corrective actions to the FTA within the required timeframe. In addition, the Authority has revised the relevant chapters of the Bus Operator's Training Manual to incorporate the specific ADA service provisions. A summary of the revisions and revised chapters has been provided to the FTA.

DRUG-FREE WORKPLACE

Observation: The Authority has not provided written notification to its non safety-sensitive employees of the specific requirements of the Drug-Free Workplace Act in its Personnel Policies and Procedures Manual, dated February 18, 1992.

Corrective Action: Within 90 days of the FTA's draft report, the Authority must provide to the FTA documentation that it has provided written notification to all employees of the specific requirements of the Drug-Free Workplace Act.

Authority Response: On March 22, 2001, the Authority provided written notification to all employees of the specific requirements of the Drug-Free Workplace Act. A copy of this written notification has been provided to the FTA.

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2000

Greater Cleveland
Regional Transit Authority
Cuyahoga County, Ohio

George F. Dixon, III
President
Board of Trustees

Joseph A. Calabrese
CEO, General Manager/
Secretary-Treasurer

Prepared By:
Division of Finance and Administration
General Accounting

2000 INTRODUCTORY SECTION

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Greater Cleveland Regional Transit Authority, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

“The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for excellence in Financial Reporting to the Greater Cleveland Regional Transit Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continued to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.”

The Greater Cleveland
Regional Transit Authority
1240 West 6th Street
Cleveland, Ohio 44113-1331
Phone 216 566-5100

June 8, 2001

George F. Dixon, III, President,
and Members, Board of Trustees
Greater Cleveland Regional Transit Authority
and Residents of Cuyahoga County, Ohio:

It is a pleasure to submit to you the Comprehensive Annual Financial Report (CAFR) of the Greater Cleveland Regional Transit Authority (GCRTA or Authority) for the year ended December 31, 2000. This is the thirteenth such report issued by GCRTA. It has become the standard format used in presenting the results of the GCRTA's operations, financial position, cash flows and related statistical information.

GCRTA takes great pride in the fact that each of the previously issued Comprehensive Annual Financial Reports earned the recognition of the Government Finance Officers Association (GFOA) in the form of its Certificate of Achievement for Excellence in Financial Reporting. This award evidences the fact that the previous CAFRs complied with stringent GFOA standards for professional financial reporting. GCRTA was the first public transit agency in Ohio, and one of only a few nationwide, to consistently earn this important recognition.

The GCRTA also submits its annual operating and capital budgets to the GFOA and has been doing so since 1990. Each of these budget documents has won the Distinguished Budget Presentation Award, having satisfied the most stringent program criteria and proven its value as (1) a policy document, (2) an operations guide, (3) a financial plan, and (4) a communication device.

This report contains financial statements and statistical data that provide full disclosure of all of the material financial operations of the GCRTA. The financial statements, supplemental schedules, and statistical information are the representations of the GCRTA's management, which bears the responsibility for their accuracy, completeness, and fairness. In conformance with generally accepted accounting principles, this report was developed on the accrual basis of accounting, treating the GCRTA as a single enterprise fund. This CAFR is indicative of the GCRTA's commitment to provide accurate, concise and high quality financial information to the residents of this area and to all other interested parties.

The CAFR is divided into an Introductory Section, a Financial Section, and a Statistical Section.

The INTRODUCTORY SECTION contains a title page and table of contents, the GFOA Certificate of Achievement for Excellence in Financial Reporting, this letter of transmittal, the GCRTA's organization chart, a listing of the members of the Board of Trustees and chief administrators of the GCRTA, and a map of municipalities in the County.

The FINANCIAL SECTION begins with the Independent Auditors' Report and the GCRTA's comparative financial statements. Supplemental budget schedules, intended to further enhance an understanding of the GCRTA's current financial status, conclude this section.

The STATISTICAL SECTION provides financial, economic, and demographic information that is useful for indicating trends for comparative fiscal periods.

REPORTING ENTITY

The Greater Cleveland Regional Transit Authority is an independent political subdivision of the State of Ohio. It was created in December 1974 by ordinance of the City of Cleveland, Ohio, and by resolution of the Board of County Commissioners of Cuyahoga County, Ohio. Operations at GCRTA began in September 1975. Either directly or through contracts with systems in the Cities of North Olmsted and Maple Heights, the GCRTA provides virtually all mass transportation within the County. It is a multimodal system delivering bus, paratransit, heavy rail and light rail services.

A ten-member Board of Trustees (Board) establishes policy and sets direction for the management of the GCRTA. Four of the members are appointed by the Mayor of Cleveland with the consent of City Council; three members, one of whom must reside in the City of Cleveland, are appointed by the County Commissioners; the remaining three members are elected by suburban mayors, city managers, and township trustees. Board members serve overlapping three-year terms. Under the provisions of GASB Statement No. 14, the GCRTA is considered to be a jointly governed organization.

Responsibility for the line administration rests with the CEO, General Manager/Secretary-Treasurer. He supervises five Deputy General Managers who head the Operations, Legal Affairs, Finance & Administration, Human Resources & Business Development, and the Engineering and Project Management divisions. Additionally, the Offices of External Affairs and Organizational Effectiveness function outside of the divisional configuration and report directly to the CEO. The Internal Audit Department reports to the Board of Trustees and maintains a close working relationship with the CEO. An organizational chart, which depicts these relationships, follows later in this introductory section.

The GCRTA had 3,052 employees as of December 31, 2000. The system delivered 25.3 million revenue miles of bus service and 2.3 million revenue miles on its heavy and light rail systems. The service fleet was composed of 753 motor bus coaches, 60 heavy rail cars, 47 light rail cars, and 81 paratransit vehicles.

ECONOMIC CONDITION AND OUTLOOK

The GCRTA's service area is contiguous with the boundaries of Cuyahoga County, Ohio. The County includes the City of Cleveland, two townships, and sixty-four other jurisdictions. This is the largest metropolitan area in Ohio and one of the largest counties in the United States. The population of this area is approximately 1.4 million people.

Historically, the foundation for Greater Cleveland's economic vitality has been heavy industry with the largest employment sector being manufacturing. Since 1990, manufacturing employment has dropped significantly from 21.9% of the total workforce to 16.0%, while wholesale and retail trade has remained constant over this same time period. The professional and related services sector work force has steadily grown from 28.2% of the total workforce since 1990 to the present rate of 32.9%, of the workforce. Over time, the local economy has become more resilient and less exposed to the risks inherent in a workforce dominated by any single industry. The County's 2000 unemployment is close to the national rate of 4.5%.

During 2000, the County Auditor completed the required reappraisal valuation of all commercial, industrial, and residential real property. This is the most recent valuation available. This process is the foundation for property taxation, and it sets the debt limitation for GCRTA. This appraisal valuation is currently at $28.6 billion.

CURRENT YEAR REVIEW

The year 2000 has been one of celebration to mark our 25th Anniversary as the Greater Cleveland Regional Transit Authority. In 1975, GCRTA was formed by combining the resources of our county's many fine transit systems, Cleveland Transit System, Shaker Rapid Lines, as well as suburban bus systems- Maple Heights, North Olmsted, Brecksville, Garfield Heights and Euclid. The creation of GCRTA was the starting point of building a transit infrastructure and services to allow people to travel on public transportation from one end of the county to the other with ease and affordability. Since this important beginning, GCRTA has grown into one of the best-run transit systems in the nation.

GCRTA continues to focus on its mission to provide Greater Clevelanders high quality, cost-effective public transportation. To that end, GCRTA has developed a business plan to improve its customer service, financial health and public image. These are simple but important initiatives that will ensure continued progress and excellent service.

This plan and focus is really just a matter of getting "back to basics" which means doing what is in the best interest of our customers - provide excellent transportation services, deliver great customer service and operate in a fiscally responsible way.

In order to measure our success in meeting the initiatives of this plan; a "report card" was developed. This report card, initiated in July 2000, tracks five key performance areas and compares results to the previous year. Areas rated in the report card include: ridership (total passenger boardings); traffic safety (all collisions); customer complaints; customer commendations; and on-time performance (0-5 minutes after departure time). Through end of the year, the report card show that compared to 1999, GCRTA's on-time performance improved in 2000 and commendations increased. However, customer complaints and traffic accidents also increased, and ridership remained level compared to 1999. This quarterly report card is submitted for board members, the public and the employees to review.

Many of the programs initiated at GCRTA are centered on increase in ridership. Our Community Circulators program continues to be in high demand. Request for new and expanded services continues to challenge our ability to provide this popular service in meeting the public demands. The Community Circulators provides "loop-like" services to neighborhood and easy access to main line bus, rail services and neighborhood businesses. During 2000, we added two Community Circulators and reconfigured the Slavic Village Circulator to better serve that community's residents. Total ridership on the Authority's 10 circulator routes totaled almost 2 million, up nearly 56 percent from 1999. We will continue our aggressive efforts in marketing our traditional and new services to current and potential customers.

GCRTA continues to support Cuyahoga County's "Welfare to Work" initiatives. In addition to offering van pool service, the Authority worked to enhance its mainline bus routes to improve access to many emerging employment centers. The new #27 F- Solon Flyer is an example of a cost-effective service enhancement in this area. Not only does this bus route provide effective service to Solon's many industrial parks, but also greatly improves work-trip commute service for Solon residents to downtown Cleveland.

In our continuing effort to increase customer satisfaction and improve access to jobs, we implemented a five-county transfer program. This program allows customers to pay only one fare for multi-county trips, greatly simplifying long distance commutes. In addition, we implemented a "pay as you enter" system when boarding our bus service. Today, regardless of route or bus type, all customers pay when getting on their bus, greatly reducing customer confusion regarding fare payment. While the overall ridership was relatively flat for 2000, we continued to be encouraged with the implementation of new programs and initiatives as noted above, that should help improve our ridership.

As part of GCRTA's ongoing commitment to upgrade its facilities and make the rider experience more efficient and enjoyable, rail stations improvement made great strides in 2000. In August 2000, Rapid customers welcomed the opening of the renovated Triskett Rapid Station. This Station serves Cleveland's West Park neighborhood and Lakewood. The federal government funded 80% of this $8.4 million project. This renovation, with its contemporary architecture, contributes directly to the economic vitality and continued development of this neighborhood. The station has new digital signs that feature CNN news headlines of the day and alert passengers when the next train is due. Similar signs are featured in the Tower City Station. The Triskett building is enhanced by fiber optic art from a commissioned artist. The GCRTA Arts-In-Transit Committee selected this site-specific artwork. This is part of the committee's on-going efforts, which began in 1991, to assure that quality, community-friendly art is integrated into the Authority's construction projects and existing facilities.

New improvements are now focused on a $23 million renovation of the Triskett bus garage adjacent to the station. The garage is a base for more than 300 bus operators and mechanics and 170 vehicles.

We are continuing with efforts in other renovating projects. Ground was broken in early November for the $4 million renovation of the West 65th Street Rapid Station. This project is a unique public-private partnership that includes a related development –an Eco Village being coordinated by the Detroit-Shoreway Community Development Organization.

Design work is progressing on the Brookpark Rapid Station, with construction slated to begin in 2001. The Authority is also completing design for the renovation of the West 117th Street Rapid Station, and will begin design on the East 55th Street Rapid Station. These renovations will include architectural components that uniquely reflect their neighborhoods, making each an integral landmark in its community.

GCRTA continues its efforts to advance the goal of redefining transit service as we move into the 21st century. One of our most important initiatives is the $292 million Euclid Corridor Transportation Project (ECTP), the largest capital improvement project in GCRTA's history. ECTP will create a unique environment along the corridor that will benefit the entire region by improving transit services, promoting long-term economic and community development, and improving the quality of life in Northeast Ohio. This 5.6-mile corridor will provide a vastly improved transportation link from downtown Cleveland to

University Circle, enhancing access to the corridor's employment, educational and cultural centers. This project continues to be funded through partnership among GCRTA, the Federal Transit Administration (FTA), the Ohio Department of Transportation and the City of Cleveland. During 2000, Cleveland City Council approved an inter-agency agreement between GCRTA and the City of Cleveland. This important step allows GCRTA to continue to receive federal funding for this important project. GCRTA continues to seek public input on the project and, during the year, held public meetings on the project's environmental impact, as well as meetings to address accessibility issues for disabled riders.

In addition to receiving financial support from the State of Ohio and the City of Cleveland, Congress earmarked $1 million in New Starts Funds in 2000 and $ 4 million for 2001, helping keep the project on track.

During 2000, GCRTA held public meetings to share findings on three Major Investment Studies (MIS) and to garner public input to help evaluate possible solutions to future transportation challenges facing Greater Cleveland. These studies are part of GCRTA's Long-Range Plan to expand its ridership base, respond to rider needs, promote economic development and reduce the effects of traffic congestion and pollution.

One study focuses on a potential extension of GCRTA's Blue Line to a location near the interchange on Interstate 271. The line currently ends at Van Aken Boulevard near Warrensville Center Road in Shaker Heights. This potential expansion project is designed to address anticipated congestion and job mobility issues associated with the Chagrin Highlands and Cleveland Enterprise Park developments.

In December 2000, GCRTA awarded a contract for a supplemental transportation study of an extension of the Red Line from Cleveland Hopkins Airport to alleviate traffic at the airport and surrounding area.

GCRTA also sought community input on expanding the Waterfront Line to form a continuous loop through downtown Cleveland. A 15-month study, commissioned by GCRTA shows that this two-mile extension would provide convenient service to many of downtown's major employers, educational institutions and other destinations, add more than 780,000 new riders and serve as a catalyst for new jobs and development.

These planning efforts focus on providing improved transit services to existing customers, attracting new customers and addressing quality of life issues in Greater Cleveland.

In an ongoing effort to promote the advantages of using our transit system, a number of marketing programs were launched to reach current and potential riders. When gasoline prices began to rise, GCRTA launched radio spots promoting the significant savings available by riding public transportation. In addition to this program, two other promotional programs were implemented. One program calls for GCRTA to hold weekly events at employment centers throughout Greater Cleveland to promote transit service to employees. This allowed GCRTA to interact with attendees at various employment sites. Employees at the sites learned about the products and services available by GCRTA.

A second major initiative was the promotion of the Commuter Advantage Plan (Plan). This Plan is an employee benefit program designed for those who commute to work on public transportation. The program provides tax benefits for both employers and employees. Elements of the program this year included a seminar for Greater Cleveland human resources professionals, as well as direct mass marketing initiatives that resulted in the addition of 29 new companies to the roster of companies already enrolled in the Plan.

In addition to our focus on transportation improvements, we continued with our internal culture transformation as a Total Quality organization to better serve our customers. GCRTA's labor-management cooperative initiative to rewrite the Authority's work rules and discipline policy is receiving national interest and was featured at conferences in Washington and Chicago during 2000. This internal program, called Positive Discipline, continues to make strides in building superior employee performance through recognition and coaching.

In 2000, GCRTA entered into a new three-year contract with the Amalgamated Transit Union/Local 268, representing some 2,450 employees. The contract includes a T.E.A.M. (Together Everyone Achieves More) Incentive Program, which ties cash awards to specific improvements, to increase ridership, revenue and reliability, all elements that will contribute to better customer service. The program has eight measurement criteria: ridership, passenger fare revenue, safety, number of miles between service interruptions, customer complaints, employee commendations, on-time performance and attendance.

FUTURE PLANS

The Authority continued to implement its Long-Range Plan. This long-range plan serves as a blueprint for building tomorrow's public transit by addressing shifts in our area's population and employment centers as well as changing travel patterns. This plan includes:

Community Circulators – A total of 10 Community Circulators were operational in 2000 including the new Kamms-Puritas Circulator. GCRTA plans to purchase 18 low-floor circulators buses to replace an aging Circulator fleet. These small buses provide neighborhood services throughout the City and the suburbs, including transfers to mainline bus and rail services.

Transit Centers - Transit stations strategically located where bus routes intersect and service is timed to provide easy transferring. Larger centers include indoor waiting areas and concessions. In addition to the two Transit Centers completed in 1999, three additional transit centers are planned for 2001 at North Olmsted, Solon and Southgate.

Park-N-Ride Lots - Parking lots strategically located at freeway or other major intersections. Commuters leave their cars and ride express service to and from their destinations. GCRTA provides more than 8,350 parking spaces at 21 of the rapid transit stations. In addition, the Authority operates bus Park-N-Rides at Strongsville (600 spaces) and Westlake (550 spaces). The objective of the GCRTA Park-N-Ride Development Plan is to provide rail and/or bus Park-N-Ride services for all major commuter corridors in Cuyahoga County.

Rail Line Extensions - Various expansions of the existing rail system, including an extension of the Red Line to Berea and an extension of the Blue Line to Interstate 271; and an extension of the Waterfront Line south through the Cleveland State University-Playhouse Square area of downtown Cleveland.

Commuter Rail - Long distance rail service over existing rail rights-of-way would provide easy access to downtown and suburban employment centers.

Euclid Corridor Improvement Project - This project would establish dedicated bus lanes along Euclid Avenue from Public Square to University Circle and beyond and include improved passenger shelter, signals, street lighting and landscaping.

Intermodal Transportation Hub - The contemplated development of a downtown transportation center linking rapid transit, commuter rail, and bus services with pedestrian connectors to adjacent developments. Conceptual design work on this facility known as the North Coast Transportation Center was completed in 1997.

Capital Improvement Plan

The development of the 2001 budget included preparation of a five year Capital Improvement Plan (CIP). This document is an ambitious outline for rebuilding and expanding service by the GCRTA. Totaling $815 million, the CIP constitutes a huge public works effort aimed at remaking the transit network and positioning GCRTA, not just for the short term, but for the long-term future.

Significant capital improvements planned for the five-year period include:

Local Capital Projects - $28.2 million

Classified as Routine Capital ($14.7 million) and Asset Maintenance ($13.5 million) Projects, these initiatives are funded entirely from local resources. Routine Capital Projects are typically equipment requested by various departments and not funded through grants. Asset Maintenance funds are used to maintain, rehabilitate, replace, or construct assets of a smaller scope or cost than those typically supported with grants. These projects are authorized within the GCRTA Capital Fund and are supported with annual allocations of Sales Tax receipts.

Rail Projects - $84.8 million

This commitment of funds includes the upgrade of the Catenary system, rail extensions, station rehabilitation, bridges, tracks, train control systems, and signage. There are several projects planned for the extension of our rail lines totaling $20.6 million. They include the extension of the Red Line to the IX Center; Waterfront Line extension; Solon Commuter Rail Demonstration project; Other rail projects include the rehabilitation of the rail stations totaling $17.2 million, rehabilitation of rail tracks of $4 million, upgrade of Catenary electrical system of $23.4 million and the upgrade of the train control system totaling $19.6 million.

Bus Garages - $32.8 million

The Triskett garage will go through rehabilitation at an estimated cost of $22.6 million and is expected to be completed in a few years. A new garage is scheduled to be built in conjunction with the North Olmsted Transit Center. Construction is expected to start in 2004 at an expected cost of $10 million. Minor repairs at the other garages are estimated at $200,000.

Bus Purchases - $170.4 million

The useful life of a bus, as defined by the Federal Transit Administration (FTA) is twelve years, or five hundred thousand miles. GCRTA is aggressively reducing its fleet's average age, now at 8.84 years, by replacing its oldest vehicles. GCRTA will be purchasing approximately 571 buses over the next 5 years.

Transit Centers - $30.7 million

GCRTA will be making a significant investment for the construction of Transit Centers over the next 5 years. These centers will be designed to provide our riders with convenient connections between local, regional and downtown transit lines. Comfortable waiting areas and time-coordinated service will make it easier for riders to transfer between routes.

Euclid Corridor Transportation Project- $282.8

This project continues to be GCRTA's top priority. Once completed, this project will create a unique environment along the corridor that will benefit the entire region by improving transit services , promoting long-term economic and community development , and improving the quality of life in Northeast Ohio.

FINANCIAL INFORMATION

Internal Control

The GCRTA is responsible for establishing and maintaining an internal control system designed to ensure that its assets are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from its implementation. The valuation of costs and benefits requires estimates and judgments by management. The Authority's management believes its internal controls are adequate.

Basis of Accounting

The GCRTA's accounting records are maintained on the accrual basis. The activities are reported through use of a single enterprise fund.

Budgetary Control

The annual cash basis operating budget is proposed by management, at the department level, and adopted by the Board of Trustees after public discussion. The Budget for each division and department is represented by appropriations. The Board must approve any increase in the total Authority appropriations. The General Manager must approve any inter-divisional budget transfers. The appropriate Deputy General Manager may modify appropriations to applicable departments within a division and to accounts within a department.

Budgetary control is maintained at the department level. It is the responsibility of each department to administer its operations in such a manner as to ensure that the use of funds is consistent with the goals and programs authorized by the Board of Trustees. The GCRTA also maintains an encumbrance accounting system for budgetary control. Unencumbered appropriations lapse at year-end. Encumbered appropriation balances are carried forward to the succeeding year and need not be reauthorized.

FINANCIAL OPERATING RESULTS

Revenues

Passenger Fares - Farebox receipts and special transit fares are included here. There was little change in amounts over the previous year.

Sales and Use Tax - This dedicated 1% tax is levied in Cuyahoga County as part of the 7% overall tax on retail sales. For 2000, approximately 72.3% of the Authority's revenue came from this source. The 7.0 increase in 2000 over 1999 was due to a healthy economy resulting in an increase in taxable retail sales.

Federal Grants and Reimbursements - The Authority received approximately $5.5 million in preventive maintenance reimbursement funds to cover the costs of certain inventory purchases and maintenance cost incurred.

State Operating Grants - The Ohio Department of Transportation allocates grants for operating assistance and elderly and handicapped programs. This category also includes reimbursement for state fuel taxes paid by the GCRTA. The decrease of 5.0% in this area is a result of decreased funding.

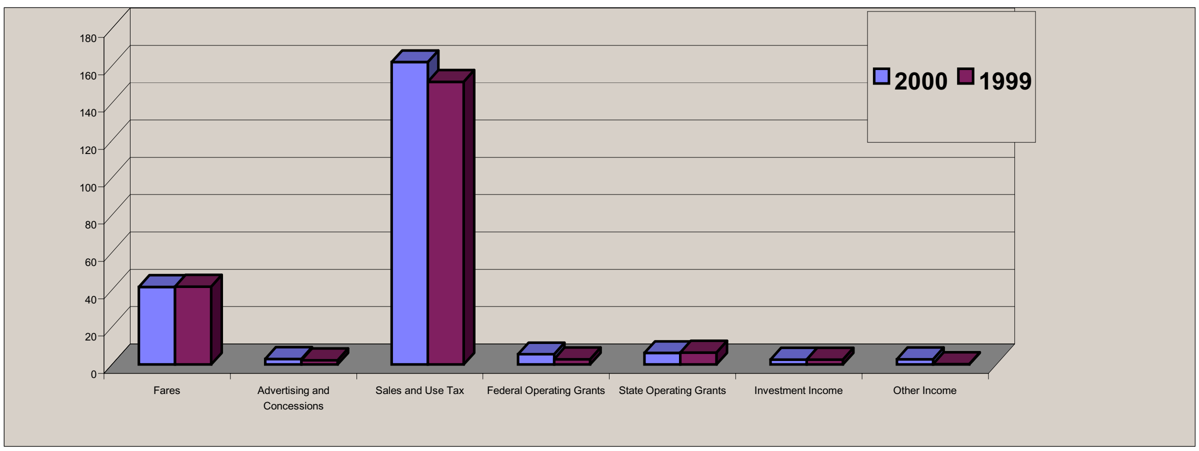
Investment Income - Investment income remains flat resulting from a slight increase in the investment rate, but a smaller investment balance.

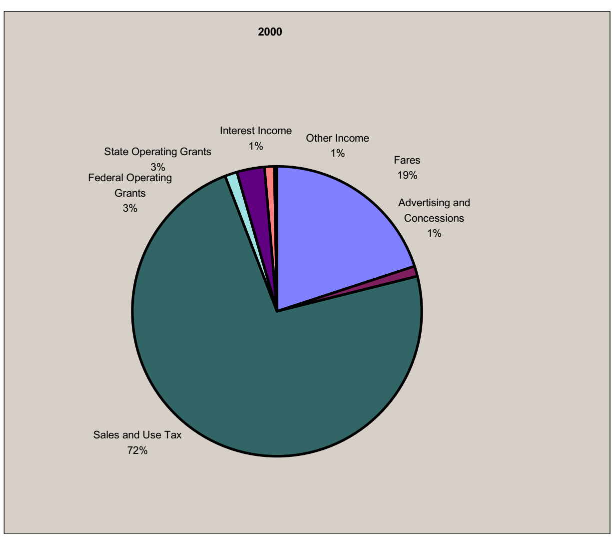
Other Income - This category summarizes various miscellaneous income and gains from the sale of assets. The Authority sold excess land in 2000 resulting in a gain of approximately $2 million. In addition, this account is used to account for funds received from insurance recovery settlements.

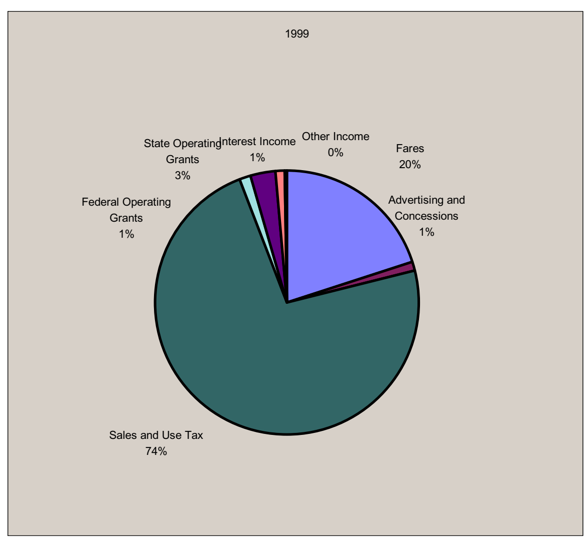
REVENUE

Millions of Dollars

	2000	1999	Increase/(Decrease) Amount	Increase/(Decrease) Percent
Fares	$ 41.6	$ 41.8	$ (0.2)	(0.5)%
Advertising and Concessions	3.0	2.3	0.7	30.4
Sales and Use Tax	162.0	151.4	10.6	7.0
Federal Operating Grants	5.5	2.9	2.6	89.7
State Operating Grants	6.2	6.5	(0.3)	(4.6)
Investment Income	2.7	2.7	0.0	0.0
Other Income	2.9	0.3	2.6	0.0
Total	$ 223.9	$ 207.9	$ 16.0	7.7 %







Expenses

LABOR AND FRINGE BENEFITS: These personnel costs accounted for approximately 70.2% of all GCRTA operating expenses (excluding depreciation) in 2000. This proportion is consistent with past years' experiences. The 1.2% increase in this category is mainly due to normal increase in wages.

MATERIALS AND SUPPLIES: These costs have increased in 2000 mainly to due significant increase in fuel costs for our buses.

SERVICES: These costs increased approximately 34% over 1999. This was mainly due to increases in contracted services relating to repair work to several of our facilities.

UTILITIES: Utility costs remained relatively unchanged over the previous year. GCRTA has continued to minimize usage through various energy conservation initiatives.

CASUALTY AND LIABILITY: The increase in these costs is due to higher than expected claims expense resulting from increase in accidents.

PURCHASED TRANSPORTATION: These costs consist of the contracting of outside transportation services. The increase in this category is primarily due to expanding demand response bus service during 2000. In addition, GCRTA contracted with an outside company to provide transportation services to supplement our "Welfare to Work" program.

INTEREST EXPENSE: The 3.4% decrease is due to the amortization of the debt resulting in lower interest expense being charged.

MISCELLANEOUS: This category summarizes various expenses not included in other expense categories.

On page 19, expenses are charted by function, explained briefly as follows:

Transportation - These are expenses directly relating to the operation of bus and rail vehicles. Included are the wages and fringe benefits of operators, booth attendants, and line supervisors, as well as diesel fuel, propulsion power, and purchased transportation.

Maintenance - Vehicle and facility maintenance labor costs, fringe benefits, supplies, parts inventory and utility costs are found here.

General and Administration - This grouping consists primarily of administrative personnel costs, public liability and property damage claims, workers compensation payments, professional services, and related expenses.

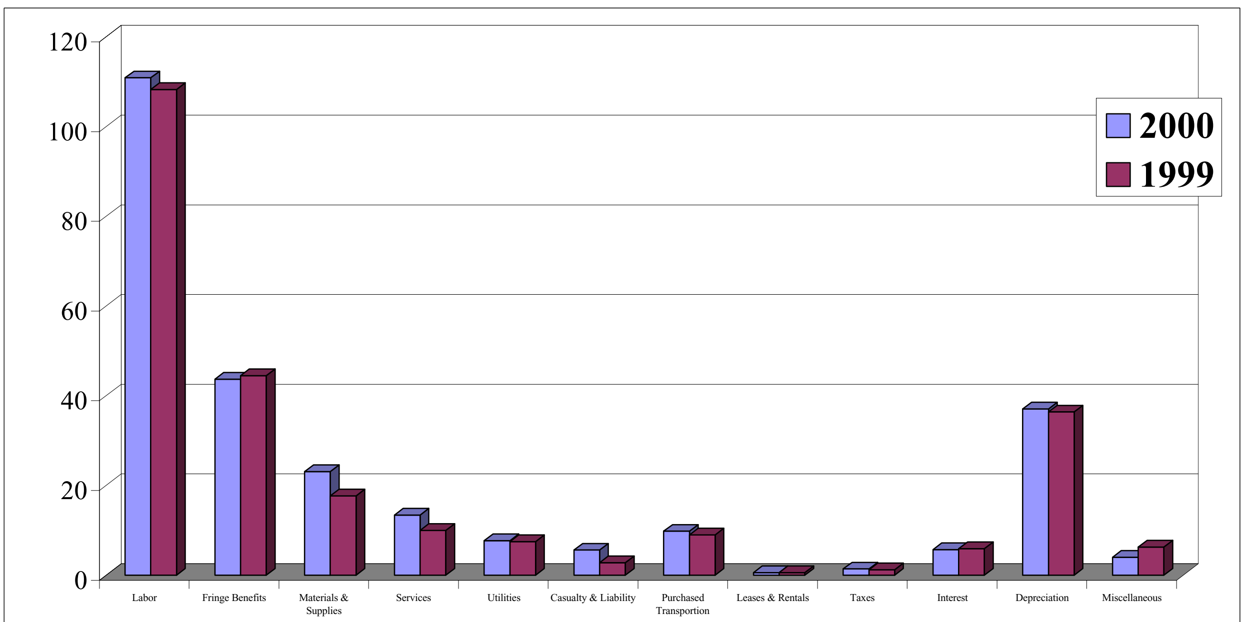
Depreciation -Included here is depreciation on assets acquired with capital grants and GCRTA equity.

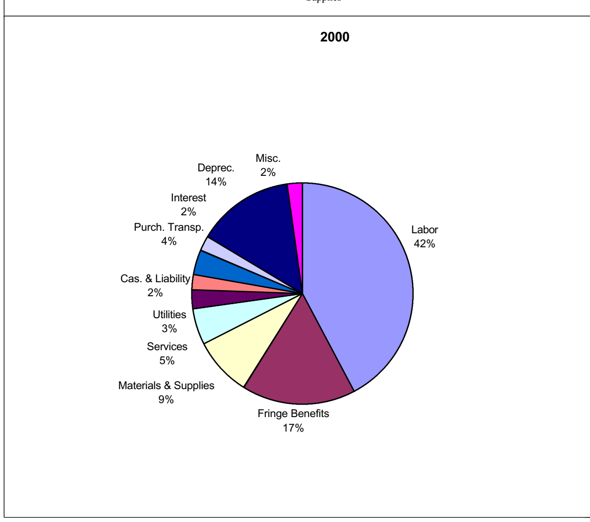
Interest - This is interest incurred on debt.

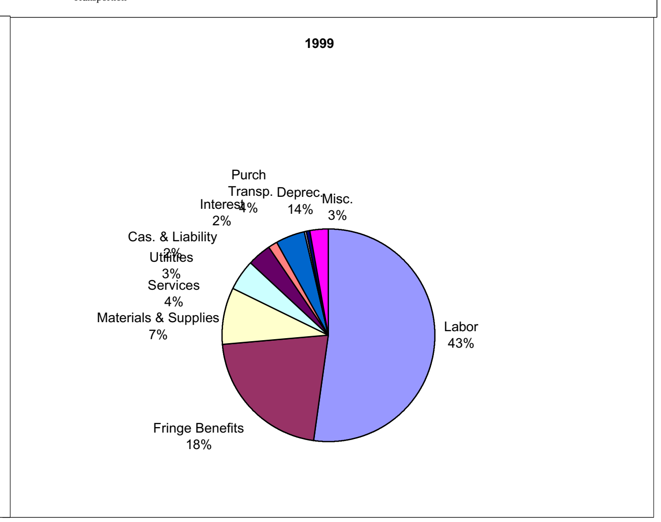
Expenses by Object Class

Millions of Dollars

	2000	1999	Increase/(Decrease) Amount	Increase/(Decrease) Percent
Labor	$ 110.9	$ 108.3	$ 2.6	2.4 %
Fringe Benefits	43.7	44.5	(0.8)	(1.8)
Materials & Supplies	23.1	17.7	5.4	30.5
Services	13.4	10.0	3.4	34.0
Utilities	7.7	7.5	0.2	2.6
Casualty & Liability	5.6	2.8	2.8	100.0
Purchased Transportion	9.8	9.0	0.8	8.9
Leases & Rentals	0.6	0.6	0.0	0.0
Taxes	1.4	1.2	0.2	16.7
Interest	5.7	5.9	(0.2)	(3.4)
Depreciation	37.1	36.4	0.7	1.9
Miscellaneous	4.0	6.3	(2.3)	(36.5)
Total	**$ 263.0**	**$ 250.2**	**$ 12.8**	**5.1 %**



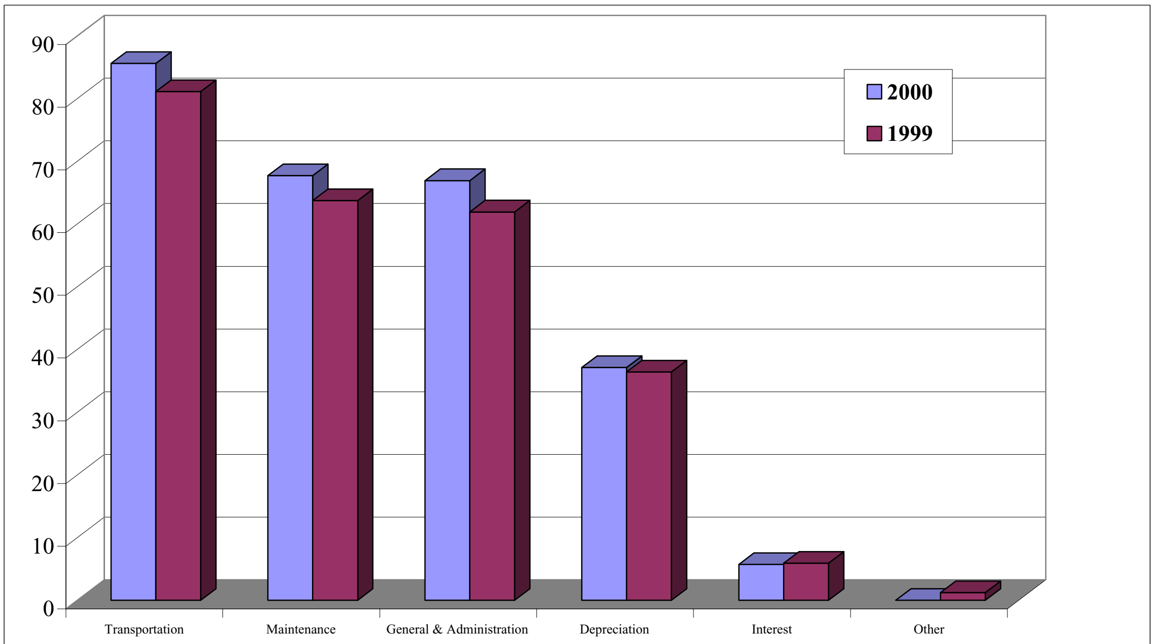


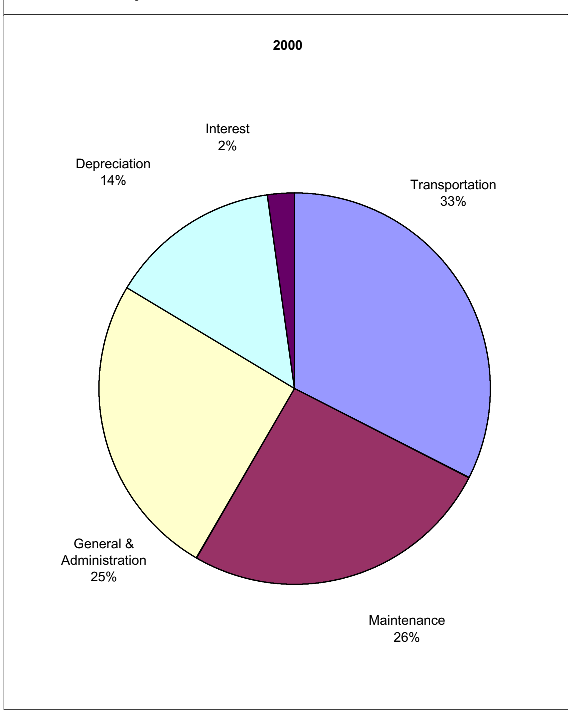


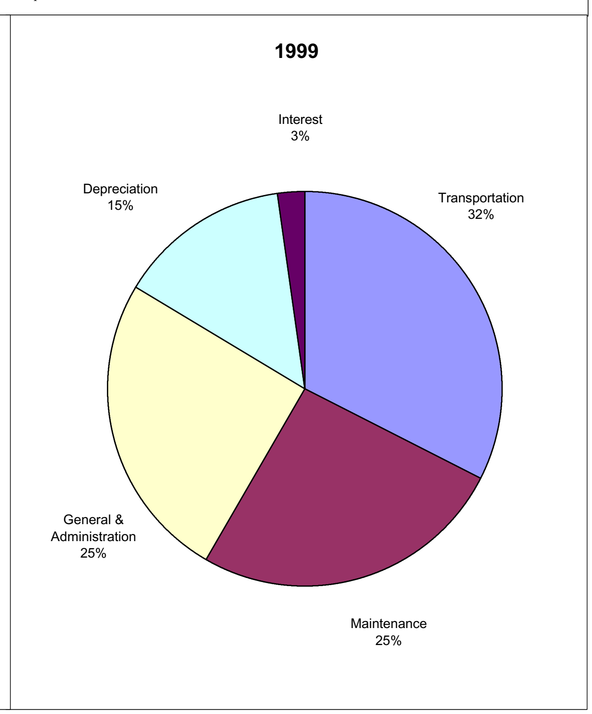
Expenses by Function

Millions of Dollars

	2000	1999	Increase/(Decrease) Amount	Increase/(Decrease) Percent
Transportation	$ 85.6	$ 81.1	$ 4.5	5.5 %
Maintenance	67.7	63.7	4.0	6.2
General & Administration	66.9	61.9	5.0	8.1
Depreciation	37.1	36.4	0.7	1.9
Interest	5.7	5.9	(0.2)	(3.4)
Other	0.0	1.2	(1.2)	(100.0)
Total	**$ 263.0**	**$ 250.2**	**$ 12.8**	**5.1 %**







Equity

The Authority's equity consists of capital contributions from the federal and state governments in addition to retained earnings.

Retirement Plan

Employees of the GCRTA are covered under the Public Employees Retirement System (PERS) of Ohio, a cost-sharing multiple-employer pension plan (including disability and health care benefits).

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees covered by PERS contribute 8.5% of earnable salary or compensation and the GCRTA contributes 13.55% (actuarially established for PERS) of the same base. The PERS of Ohio does not make separate measurements of assets and pension benefit obligations for individual Ohio subdivisions.

The Retirement Board enacted a temporary employer contribution rate rollback relating to the year 2000. The temporary rollback was 20% for both the state and local government divisions and 6% for law enforcement divisions.

PERS also provides post-retirement healthcare coverage to those employees who retire with ten or more years of qualifying Ohio service credit as well as healthcare coverage for disability recipients and primary survivor recipients. A portion of each employer's contribution to PERS is set aside to fund these benefits.

Debt Administration

The GCRTA has sold unvoted general obligation (capital improvement) bonds to partially finance the purchase and construction of various capital assets. Payment of debt service on the outstanding unvoted general obligation bonds of the GCRTA is secured by a pledge of all revenues of the GCRTA, except those specifically limited to another use or prohibited from that use by the Ohio Constitution, state or federal law, or any revenue bond trust agreement that the GCRTA might execute. In practice, debt service has been paid from the receipts of the GCRTA's sales and use tax. Subject to the approval of the County Budget Commission, the debt service can also be paid; in the event it is not paid from other sources, from the proceeds of the levy by the GCRTA of ad valorem taxes within the ten-mill limitation provided by Ohio law. The GCRTA can also, with the approval of the voters within the territory of the Authority, issue general obligation bonds that, unless paid from other sources, are payable from the proceeds of the levy by GCRTA of ad valorem taxes that are outside that ten mill limitation.

The GCRTA had $98 million outstanding capital improvement bonds as of December 31, 2000 of which $30.8 million is non-callable and $67.2 million callable. The GCRTA general obligation debt is rated 'A3' by Moody's Investors Service, Inc. and 'A' by Fitch IBCA, Inc.

Total outstanding bonds and loans as of December 31, 2000 include:

Series	Issue Date	Maturity Date	Original Principal	December 31, 2000 Balance	Average Interest Rate
General Obligation Improvement Bonds					
1996	10/03/96	12/01/2011	$70,000,000	$38,460,000	5.24%
1998	03/01/98	12/01/2018	32,955,000	30,800,000	4.61%
General Improvement Refunding Bonds					
1998R (11/15/98 annually thru 2016)				28,700,000	4.17%
Premium				40,500	
Deferred Amortization on Refunding				(1,700,393)	
Total General Obligation Bonds				96,370,107	
Other- State Infrastructure Bank Loans (annually thru 2014)				4,867,879	4.25%
Total Outstanding Debt				$101,237,986	

At December 31, 2000, the maximum annual debt service charges permitted under Ohio law for new debt issuance was $19.2 million.

Cash Management

The GCRTA pursues an aggressive cash management and investment program in order to achieve reasonable financial return on all available funds. Cash balances are invested at the best interest rates available in the money markets within the constraints imposed by the Bylaws of the GCRTA and the Ohio Revised Code. In accordance with these provisions, only banks located in Ohio and domestic savings and loan associations are eligible to hold public deposits.

The provisions also permit the GCRTA to invest its moneys in certificates of deposit, savings accounts, money market accounts, the State Treasurer's investment pool (STAR OHIO), and obligations of the United States government or certain agencies thereof. The GCRTA may also enter into repurchase agreements with any eligible depository for a period not exceeding thirty days.

Under the criteria developed by the Governmental Accounting Standards Board, $15.5 million of the GCRTA's investments are included in Risk Category 1 as defined in Note 3 to the financial statements. See Note 3 to the financial statements regarding credit risk relating to GCRTA’s deposits. The procedures used for securing the Authority's deposits and investments are governed by the Ohio Revised Code. Because the GCRTA's deposits and investments are generally held by large, financially sound, national banks, we believe that the security supporting the GCRTA's deposits and investments is adequate.

Risk Management

The GCRTA is self-insured for public liability. The GCRTA also operates a self-insurance program for workers' compensation claims. Claims are normally paid with the general operating revenues of the GCRTA. The GCRTA, by resolution of the Board of Trustees, established an insurance reserve in fiscal year 1980 to accumulate funds to satisfy catastrophic or extraordinary losses. The insurance reserve as of December 31, 2000 was $5.0 million. During 1999, the GCRTA purchased catastrophic loss insurance to protect the Authority's assets against catastrophic losses. This umbrella liability coverage is in the amount of $75 million per occurrence in excess of the $5 million self-insured retention.

Blanket insurance coverage is maintained for property and equipment. In addition, the GCRTA has insurance to protect against internal losses.

OTHER INFORMATION

Independent Audit

The GCRTA's independent audit was conducted by Deloitte & Touche LLP, who has issued an unqualified audit report on these financial statements.

GCRTA also participates in the federal single audit program, which consists of a single audit of all federally funded programs administered by the GCRTA. As a requirement for continued funding eligibility, participation in the single audit program is mandatory for most local governments, including GCRTA.

Certificate of Achievement for Financial Reporting

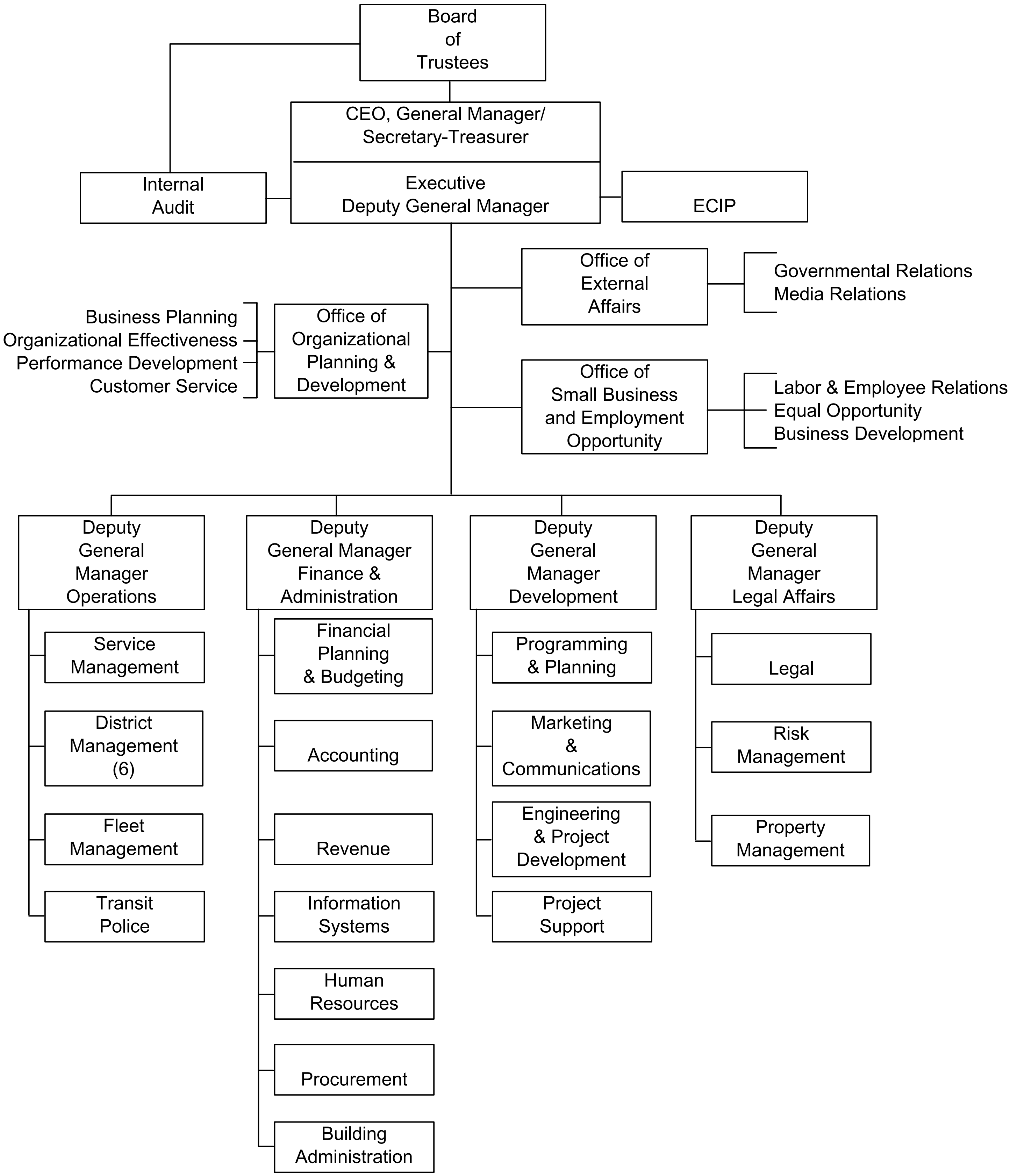
It is also management's intention to submit this and future CAFRs to the Government Finance Officers Association of the United States and Canada for review under its Certificate of Achievement for Excellence in Financial Reporting Program. We believe the current report conforms to the program requirements, and we expect that participation will result in improvements to our reports in coming years.

Acknowledgments

The GCRTA expresses thanks to the staff of the Accounting Department directed by Glenn Hendrix and assisted by Pamela Fairfax, for their work in preparing this report. Robert Ehlert and Joseph Ivan organized the project; Grace Gallucci, Director of the Financial Planning & Budgeting Department, assisted in providing supplemental schedules. Frances Barnett typed and proofread the entire document, and prepared it for printing. Cuyahoga County and Steven C. Letsky, Director of Accounting for the Cuyahoga County Auditor, provided supporting demographics and other statistics.

Joseph A. Calabrese, Chief Executive Officer- General Manager/ Secretary-Treasurer	**Loretta Kirk** Deputy General Manager Finance & Administration

GCRTA Organizational Structure



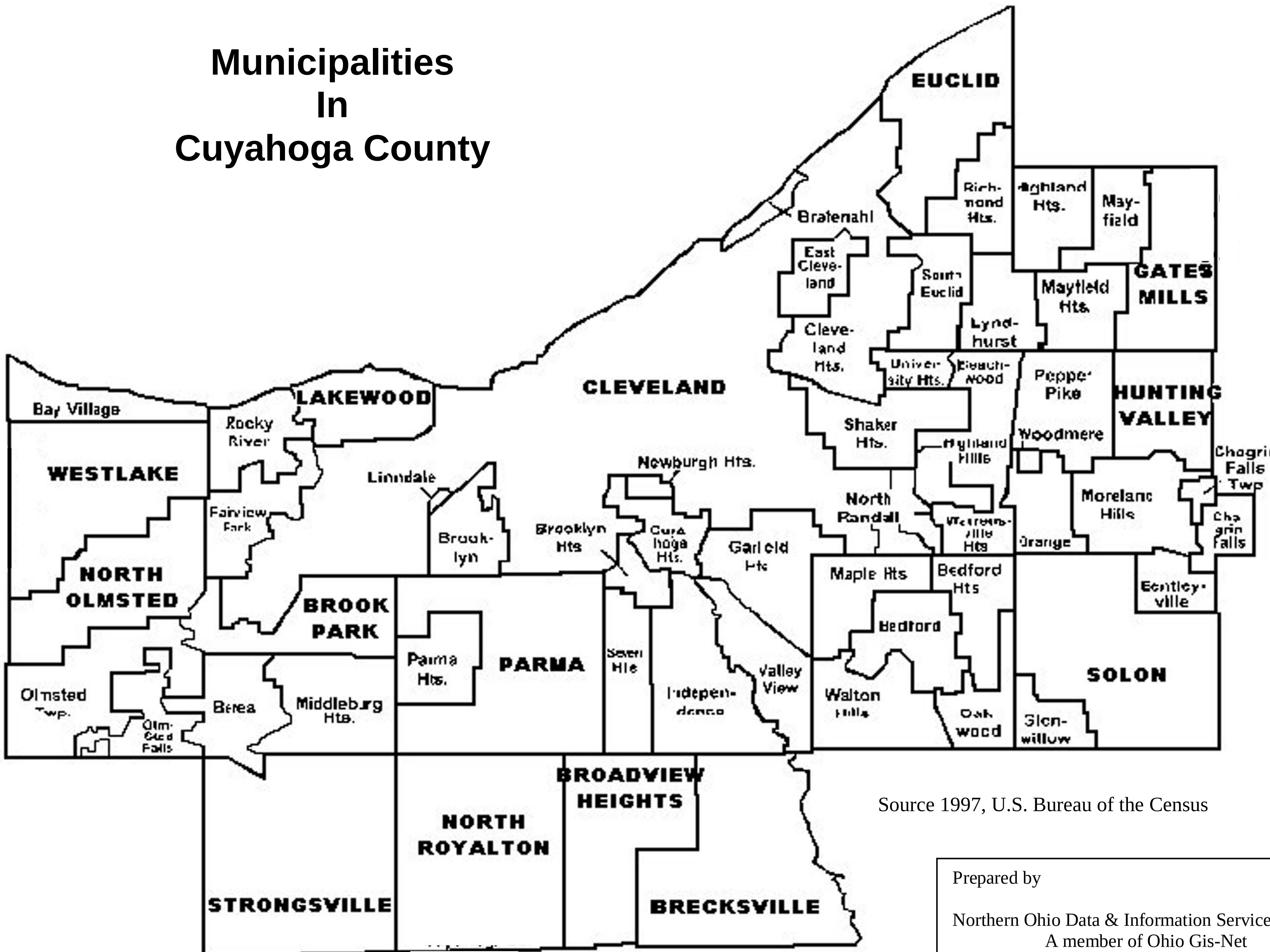
BOARD OF TRUSTEES AND ADMINISTRATION

As of December 31, 2000

BOARD OF TRUSTEES

ADMINISTRATION

Municipalities In Cuyahoga County



Source 1997, U.S. Bureau of the Census

Prepared by

Northern Ohio Data & Information Service (NODIS)
A member of Ohio Gis-Net
The Urban Center
Maxine Goodman Levin College of Urban Affairs
Cleveland State University

June 1999

2000 FINANCIAL SECTION
General Purpose Financial Statements and Notes

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Deloitte & Touche

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Greater Cleveland Regional Transit Authority
Cleveland, Ohio 44113

We have audited the accompanying financial statements of the Greater Cleveland Regional Transit Authority (the “Authority”) as of December 31, 2000 and 1999, and for the years then ended, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the Authority. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Authority at December 31, 2000 and 1999, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the foregoing table of contents, which are also the responsibility of the management of the Authority, are presented for purposes of additional analysis and are not a required part of the financial statements of the Authority. Such additional information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly presented in all material respects when considered in relation to the basic financial statements taken as a whole.

Deloitte
Touche
Tohmatsu

The statistical data on pages 47 through 60 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Authority. Such additional information has not been subjected to the auditing procedures applied in the audits of the financial statements, and, accordingly, we express no opinion on it.

Deloitte & Touche LLP

June 8, 2001

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE BALANCE SHEETS

December 31, 2000 and 1999

ASSETS	2000	1999
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 14,699,470	$ 6,773,903
Investments	8,955,557	16,537,496
Receivables:		
Sales and Use Tax	26,138,697	24,895,279
State Operating Assistance	442,259	0
Accrued Interest and Other	605,063	1,091,405
Materials and Supplies Inventory	9,446,424	9,562,595
Total Current Assets	60,287,470	58,860,678
RESTRICTED ASSETS:		
Cash and Cash Equivalents	21,058,972	6,395,686
Investments	5,543,913	23,230,504
Receivables:		
Accrued Interest and Other	44,045	185,291
State Capital Assistance	907,101	154,822
Federal Capital Assistance	1,790,462	2,407,714
Total Restricted Assets	29,344,493	32,374,017
PROPERTY, FACILITIES AND EQUIPMENT		
Land	18,388,176	16,869,622
Right-of-Ways	256,840,059	255,347,797
Buildings, Improvements, Furniture and Fixtures	364,669,014	351,204,364
Transportation and Other Equipment	298,016,931	290,605,319
Construction in Progress	40,849,882	34,038,846
Total	978,764,062	948,065,948
Less Accumulated Depreciation	(389,607,930)	(358,625,809)
Property, Facilities and Equipment-Net	589,156,132	589,440,139
OTHER NON-CURRENT ASSETS:		
Receivables-State Contribution	3,315,000	4,860,000
TOTAL ASSETS	$ 682,103,095	$685,534,834

LIABILITIES AND EQUITY	2000	1999
CURRENT LIABILITIES:		
Accounts Payable	$ 7,271,632	$ 4,206,201
Accrued Compensation	21,510,000	20,475,503
Other Accrued Expenses	2,096,140	1,244,051
Interest Payable – Bonds	412,646	426,564
Current Portion of Long-Term Debt	4,140,347	3,835,000
Self-Insurance Liabilities – Current Portion	5,124,181	5,182,714
Total Current Liabilities	40,554,946	35,370,033
CURRENT LIABILTIES PAYABLE FROM RESTRICTED ASSETS:		
Contracts and Other Payables	5,758,256	6,003,338
Contract Retainers	1,596,654	39,284
Total Current Liabilities Payable from Restricted Assets	7,354,910	6,042,622
NON-CURRENT LIABILITES:		
Long-Term Debt	97,097,639	96,085,156
Self-Insurance Liabilities	9,516,335	9,625,041
Capital Lease Obligation	3,315,000	4,860,000
Deferred Revenue	1,361,806	1,520,331
Deferred Contributed Capital	3,315,000	4,860,000
Other	1,184,925	1,589,431
Total Non-Current Liabilities	115,790,705	118,539,959
Total Liabilities	163,700,561	159,952,614
EQUITY:		
Contributed Capital:		
Federal Grants	365,803,294	362,383,910
State Grants	35,191,384	36,394,590
Total Contributed Capital	400,994,678	398,778,500
Retained Earnings	117,407,856	126,803,720
Total Equity	518,402,534	525,582,220
TOTAL LIABILITIES AND EQUITY	$ 682,103,095	$ 685,534,834

See notes to financial statements.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	2000	1999
OPERATING REVENUES:		
Passenger Fares	$ 41,583,403	$ 41,773,055
Advertising and Concessions	3,005,320	2,258,364
Total Operating Revenues	44,588,723	44,031,419
OPERATING EXPENSES:		
Labor	110,881,264	108,278,894
Fringe Benefits	43,693,867	44,528,639
Materials and Supplies	23,184,688	17,774,378
Services	13,431,625	9,993,990
Utilities	7,676,277	7,475,593
Self-Insurance Claims	5,584,150	2,814,301
Purchased Transportation	9,817,965	9,032,885
Leases and Rentals	616,924	562,946
Taxes	1,366,468	1,212,274
Miscellaneous	4,016,635	5,008,781
Total Operating Expenses Excluding Depreciation	220,269,863	206,682,681
OPERATING LOSS BEFORE DEPRECIATION EXPENSE	(175,681,140)	(162,651,262)
DEPRECIATION EXPENSE:		
On Assets Acquired with Capital Grants	29,674,795	29,111,058
On Assets Acquired with Authority Equity	7,418,699	7,277,764
Total Depreciation Expense	37,093,494	36,388,822
OPERATING LOSS	(212,774,634)	(199,040,084)
NON-OPERATING REVENUES (EXPENSES):		
Sales and Use Tax Revenues	161,991,565	151,405,646
Federal Grants and Reimbursements	5,540,224	2,936,393
State Grants, Reimbursements, and Special Fare Assistance	6,178,290	6,501,510
Investment Income	2,743,549	2,653,670
Interest Expense	(5,672,442)	(5,890,794)
Gain (Loss) on disposal of fixed assets	2,213,468	(1,267,385)
Other Income	709,321	377,356
Total Non-operating Income – Net	173,703,975	156,716,396
NET LOSS	$ (39,070,659)	$ (42,323,688)

See notes to financial statements. **(Continued)**

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999
(Continued)

	2000	1999
Net Loss	$ (39,070,659)	$ (42,323,688)
Depreciation of Fixed Assets acquired with Capital Grants	29,674,795	29,111,058
Increase (Decrease) in Retained Earnings	(9,395,864)	(13,212,630)
Retained Earnings, Beginning of Year	126,803,720	140,016,350
Retained Earnings, End of Year	117,407,856	126,803,720
Contributed Capital, Beginning of Year	398,778,500	396,308,955
Contributed Capital, During the Year:		
Federal Grants	27,159,220	24,298,128
State Grants	4,731,753	7,282,475
Depreciation on Fixed Assets Acquired with Capital Grants	(29,674,795)	(29,111,058)
Contributed Capital, End of Year	400,994,678	398,778,500
Equity, End of Year	$ 518,402,534	$ 525,582,220

See notes to financial statements.

(Concluded)

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999

	2000	1999
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Cash received from customers	$ 45,216,311	$ 43,517,819
Cash payments to suppliers for goods and services	(56,076,890)	(51,140,329)
Cash payments to employees for services	(111,277,058)	(107,415,389)
Cash payments for employee benefits	(42,668,083)	(44,528,639)
Cash payments for casualty and liability	(5,751,389)	(4,814,542)
Net cash used in operating activities	(170,557,109)	(164,381,080)
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES:		
Sales and use taxes received	160,748,147	151,265,961
Grants, reimbursements and special fare assistance:		
Federal	5,540,224	2,936,393
State	5,736,031	9,200,736
Other revenue	559,593	298,976
Net cash provided by non-capital financing activities	172,583,995	163,702,066
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:		
Federal capital grants received	27,776,472	22,913,981
State capital grants received	2,208,334	5,641,782
Proceeds from State Infrastructure Bank Loan	4,867,879	0
Proceeds from disposal of land	3,300,000	0
Acquisition and construction of fixed assets	(36,530,360)	(33,296,204)
Principal paid on bond maturities	(3,835,000)	(3,620,000)
Interest paid on bonds and other debt	(5,175,268)	(5,336,239)
Net cash used in capital and related financing activities	(7,387,943)	(13,696,680)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
Proceeds from maturities of investments	35,146,675	61,953,912
Purchases of investments	(9,878,145)	(86,309,293)
Interest received from investments	2,681,380	2,814,221
Net cash provided by (used in) investing activities	27,949,910	(21,541,160)
Net Increase (Decrease) In Cash and Cash Equivalents	22,588,853	(35,916,854)
Cash and Cash Equivalents, Beginning of Year	13,169,589	49,086,443
Cash and Cash Equivalents, End of Year	$ 35,758,442	$ 13,169,589

See notes to financial statements.

(Continued)

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2000 AND 1999
(Continued)

	2000	1999
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating Loss	$(212,774,634)	$(199,040,084)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	37,093,494	36,388,822
Change in assets and liabilities:		
(Increase) decrease in other receivables	627,588	(513,600)
(Increase) decrease in materials and supplies inventory	116,171	(239,313)
Increase (decrease) in accounts payable, accrued compensation, self-insurance liabilities and other	4,380,272	(976,905)
Net Cash Used In Operating Activities	$(170,557,109)	$(164,381,080)

See notes to financial statements.

(Concluded)

1. DESCRIPTION OF AUTHORITY OPERATIONS AND DEFINITION OF THE ENTITY

A) **The Authority -** The Greater Cleveland Regional Transit Authority (the "Authority" or "GCRTA") is an independent, special purpose political subdivision of the State of Ohio (the "State") with powers derived from Sections 306.30 through 306.71 of the Ohio Revised Code. The Authority has territorial boundaries and jurisdiction coextensive with the territorial boundaries of Cuyahoga County. As a political subdivision, it is distinct from, and is not an agency of, the State and the County or any other local governmental unit. The Authority was created on December 30, 1974, by ordinance of the Council of the City of Cleveland and by resolution of the Board of County Commissioners of Cuyahoga County and became operational on September 5, 1975.

Under Ohio law, the Authority is authorized to levy a sales and use tax for transit purposes, including both capital improvement and operating expenses, at the rate of 0.25, 0.5, 1, or 1.5 if approved by a majority of the electors residing within the territorial boundaries of the Authority. Such a sales and use tax is in addition to the sales and use taxes levied by the State and the County. On July 22, 1975, the voters of the County approved a 1% sales and use tax with no limit on its duration.

The Authority also has the power, under Section 306.40 of the Ohio Revised Code, to levy and collect both voted (after approval at an election) and unvoted ad valorem taxes on all the taxable property within the territorial boundaries of the Authority, in order to pay debt service on its bonds and notes issued in anticipation thereof. Ad valorem taxes have not been levied through 2000.

The Authority is managed by a ten-member Board of Trustees and provides directly, or under contract, virtually all-mass transportation within the County.

The Authority is not subject to federal or state income taxes.

B) **Reporting Entity -**"The Financial Reporting Entity," as defined by Statement No. 14 of the Governmental Accounting Standards Board ("GASB"), is comprised of the primary government and its component units. The primary government includes all departments and operations of the Authority, which are not legally separate organizations. Component units are legally separate organizations which are fiscally dependent on the Authority or for which the Authority is financially accountable.

An organization is fiscally dependent if it must receive the Authority's approval for its budget, the levying of taxes or the issuance of debt. The Authority is financially accountable for an organization if it appoints a majority of the organization's board, and either a) has the ability to impose its will on the organization or b) there is the potential for the organization to provide a financial benefit to or impose a financial burden on the Authority. The reporting entity of the Authority consists solely of the primary government. There are no component units.

Under the guidelines of GASB Statement No. 14, the Authority is a jointly governed organization. Of its ten member board, four of the members are appointed by the Mayor of Cleveland with the consent of City Council; three members, one of whom must reside in the City of Cleveland, are appointed by the County Commissioners; the remaining three members are elected by an association of suburban mayors, city managers, and township trustees. None of the participating governments appoints a majority of the Authority's board and none has an ongoing financial interest or responsibility. None of the participating governments provided any support or had any significant financial transactions with the Authority during 2000.

As discussed in Note 7, the Authority contracts with two municipalities for assistance in providing transit service within the County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the GASB and other recognized authoritative sources. The Authority also applies Financial Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989, to the extent that they do not contradict/conflict with GASB pronouncements.

Basis of Accounting - The Authority follows the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position and cash flows. All transactions are accounted for in a single enterprise fund.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investment Securities - Investments are stated at fair value.

Materials and Supplies Inventory - Materials and supplies inventory are stated at average cost. Inventory generally consists of maintenance parts and supplies for rolling stock and other transportation equipment. In accordance with industry practice, all inventories are classified as current assets even though a portion of the inventories is not expected to be utilized within one year.

Property and Depreciation - Property, facilities and equipment are stated at historical cost. The cost of normal maintenance and repairs is charged to operations as incurred. Improvements and interest are capitalized and depreciated over the remaining useful lives of the related properties. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

Description	Years
Buildings and improvements	20-60
Transportation and other equipment	5-15
Furniture and fixtures	3-15
Rolling stock	7-12

Depreciation on fixed assets acquired or constructed through grants externally restricted for capital acquisitions are closed to the appropriate contributed capital account.

Restricted Assets - Restricted assets consist of monies and other resources, the use of which is legally restricted for the following purposes:

- Capital acquisition and construction
- Self-insurance; catastrophic losses
- Law enforcement

Recognition of Revenue and Receivables - Passenger fares are recorded as revenue at the time services are performed.

Sales and use tax revenues are recognized in the month collected by the State.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The federal government, through the Federal Transit Administration ("FTA") and the Ohio Department of Transportation ("ODOT"), provide financial assistance and make grants directly to the Authority for operations and acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenues over the entitlement periods. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to contributed capital when the related qualified expenditures are incurred. Capital grants for the maintenance of property, plant and equipment are recorded as grant receivables and credited to nonoperating revenues in the period operating expenditures are incurred. Capital grants received in advance of project costs being incurred are deferred.

Compensated Absences - The Authority accrues vacation benefits as earned by its employees. Unused vacation benefits are paid to the employees upon separation from service. Vacation days are limited to a maximum of fifty days.

Self-Insurance Liabilities and Expense - The Authority has a self-insurance program for public liability and property damage claims. The Authority also operates a self-insurance program for workers' compensation claims. For workers' compensation claims awarded, the Authority pays the same benefits as would be paid by the State of Ohio Bureau of Workers' Compensation.

Both programs are administered by the Authority. Claims are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management and legal counsel of the Authority. Also provided for are estimates of claims incurred during the year but not yet reported.

Budgetary Accounting and Control - The Authority's annual budget, as provided by law, is based upon accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The major differences between the budget basis and GAAP basis are:

1) Revenues are recorded when received (budget) as opposed to when earned (GAAP);

2) Expenses are recorded when paid or encumbered (budget) as opposed to when the liability is incurred (GAAP); and

3) Budget basis includes proceeds of long-term debt and capital grants as revenues and capital outlay and debt principal payments as expenses, and excludes depreciation on, as well as gains and losses on disposition of, property and equipment.

Reported budgeted amounts are as originally adopted and amended by appropriations resolutions passed by the Board. Three budget amendments were passed by the Board during 2000, increasing 2000 appropriations by $2.0 million, and three budget amendments were passed by the Board during 1999, increasing 1999 appropriations by $4.4 million.
The budget for each division and department is represented by appropriations. Any increase in the total Authority appropriations must be approved by the Board. Any inter-divisional budget transfers must be approved by the General Manager. Appropriations to applicable departments within a division and to accounts within a department may be modified by the appropriate Deputy General Manager and the Financial Planning & Budgeting Department. All budget transfers must be reported to the Board within 30 days after the end of the month in which the transfer occurred.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The investment and deposit of Authority monies is governed by the provisions of the Bylaws of the Authority and the Ohio Revised Code. In accordance with these provisions, only banks located in Ohio and domestic saving and loan associations are eligible to hold public deposits. The provisions also permit the Authority to invest its monies in certificates of deposit, savings accounts, money market accounts, the state treasurer's investment pool (STAROhio), and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible dealer who is a member of the National Association of Securities Dealers for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities the face value of which is at least 110% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require that security maintained for public deposits and investments be held in the Authority's name.

The Authority is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The Authority is also prohibited from investing in reverse repurchase agreements.

Deposits - The carrying amount of the Authority's deposits was a negative $308,050 at December 31, 2000 with a $1,029,775 bank balance. Of the bank balance, $100,000 was covered by federal depository insurance. The remaining balance, $929,775 was uninsured and uncollateralized as defined by the GASB. The uncollateralized deposits were, however, covered by various financial institutions' risk pools for public deposits as permitted under the Ohio Revised Code Section 135.

Investments – The Authority's investments are detailed below and are categorized to give an indication of the level of credit risk assumed as of year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Authority or its agent in the Authority's name. Category 2 includes investments that are uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the Authority's name. Category 3 includes uninsured or unregistered investments for which securities are held by the counterparty or by its trust department or agent but not in the Authority's name. Balances with Star Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

STAROhio is an investment pool created pursuant to Ohio statutes and managed by the Treasurer of the State of Ohio. This investment is not classified by credit risk category because it does not exist in physical or book entry form. The fair value of the Authority's position in the investment pool is equal to the fair value of the underlying assets of the pool. STAROhio is not registered with the Securities and Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

Description	Risk Category 1	2	3	Fair Value/ Carrying Value
U.S. Government and Agency Securities	$15,491,171			$15,491,171
Investment in state treasurer's investment pool (STAROhio)				35,074,791
Total				$50,565,962

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

At December 31, 2000, the Authority's cash, cash equivalents and investments consist of the following:

Demand deposits	$ (308,050)
Investments	50,565,962
Total	$ 50,257,912

The balances are included in the accompanying December 31, 2000 balance sheet under the following captions:

Current Assets:	
Cash and cash equivalents	$ 14,699,470
Investments	8,955,557
Restricted Assets:	
Cash and cash equivalents	21,058,972
Investments	5,543,913
Total	$ 50,257,912

4. CONSTRUCTION IN PROGRESS AND COMMITMENTS

During 2000, major construction projects aggregating $13.5 million were completed and transferred to the appropriate property, facilities and equipment accounts. Major projects included the rehabilitation of rail track and bridges ($3.4 million) and the rehabilitation of the Triskett Rail Station ($10.1 million). Included in the December 31, 2000 construction in progress balance are costs associated with further right-of-way, rail track and bridge rehabilitation, the Triskett bus garage rehabilitation, the Brookpark rail station rehabilitation, the West 65th rail station rehabilitation, the Euclid Corridor project, and various other projects. Remaining costs to complete these projects as of December 31, 2000, which will extend over a period of several years, total $117.3 million. Approximately $88.5 million of these costs are eligible for reimbursement under approved capital grants. The remaining portion of these costs is the responsibility of the Authority and will be funded with sales tax revenue or long-term debt.

5. LONG TERM DEBT

Long-term debt consists of the following:

LOAN & GENERAL OBLIGATION BONDS PAYABLE:	December 31, 2000	1999
Capital improvement bonds, Series 1996, due annually to 2011 at an average rate of 5.24%	$ 38,460,000	$ 41,065,000
Capital improvement bonds, Series 1998, due annually to 2018 at an average rate of 4.61%	30,800,000	31,900,000
Capital improvement refunding bonds, Series 1998R, due annually to 2016 at an average rate of 4.17%	28,770,000	28,900,000
State Infrastructure Bank Loan due annually to 2014 at a fixed rate of 4.25%	4,867,879	
Total debt	102,897,879	101,865,000
Deferred amount on refunding	(1,700,393)	(1,987,594)
Premium on Series 1998 bonds	40,500	42,750
Long-term debt	101,237,986	99,920,156
Less current portion	4,140,347	3,835,000
Long-term portion	$ 97,097,639	$ 96,085,156

Certain bonds maturing after December 31, 2006 are subject to optional redemption by the Authority prior to maturity.

On November 15, 1998, the Authority issued $28,965,000 of general obligation capital improvement refunding bonds. A portion of the proceeds of the bonds was used for the advance refunding of $26,425,000 of the 1996 capital improvement bonds. The proceeds were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The total amount of funds available in the trust at December 31, 2000 was $27,287,563. The refunded bonds, which have an outstanding balance of $26,425,000 at December 31, 2000 are not included in the Authority's outstanding debt since the Authority has satisfied its obligations through the advance refunding. The principal balance of the general obligation capital improvement refunding bonds at December 31, 2000 was $28,770,000.

The 1998 general obligation capital improvement refunding bonds' advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $2,288,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations in proportion to stated interest requirements through the year 2006.

In 1998, the Authority entered into a loan agreement with the State of Ohio, Department of Transportation for a State Infrastructure Bank loan in an amount not to exceed $6,945,000 to be repaid over a fifteen year period at an annual rate of 4.25%. During 2000, the Authority borrowed $4,867,879 under this loan agreement to finance the rehabilitation of the Cuyahoga River Viaduct Project.

5. LONG TERM DEBT (Cont'd.)

The annual requirements to pay principal and interest on the bonds and loan outstanding at December 31, 2000 are as follows:

Year	Principal	Interest
2001	$ 4,140,347	$ 5,055,193
2002	4,449,385	4,971,144
2003	4,651,384	4,769,326
2004	4,863,899	4,554,560
2005	5,091,952	4,286,403
2006 and thereafter	79,700,912	26,809,849
Total	**$ 102,897,879**	**$ 50,446,475**

6. CAPITAL LEASE OBLIGATION

In 1995, $10 million Series 1995 Certificates of Participation were issued by a bank to fund a portion of the construction of the Waterfront Transit Line Project. In connection with the issuance of the Series 1995 Certificates of Participation, the Authority entered into a capital lease agreement (as lessee) with McDonald Financial Services, Inc. (MFSI) for certain parcels of real property together with all buildings, structures, and other improvements related to the Waterfront Transit Line Project.

The Authority has entered into an agreement with the State of Ohio Department of Transportation (ODOT) whereby ODOT has agreed to make payments to the Authority in amounts equal to the payments required under the capital leases. The payments by ODOT to the Authority are subject to receipt by ODOT of appropriations of sufficient amounts of money for that purpose by the General Assembly of the state of Ohio and the Certification as to the availability of such funds by the State Director of Budget and Management pursuant to Section 126.07 of the Ohio Revised Code (the "OMB Certification"). The Authority has recognized a long-term receivable and deferred capital contribution from ODOT related to this agreement. Contributed capital is recognized upon receipt of the annual payments made by ODOT.

Future capital lease payments are as follows as of December 31, 2000:

YEAR	TOTAL PAYMENTS
2001	$ 1,775,842
2002	1,775,512
Total Lease Payments	$ 3,551,354
Less amount representing interest	(236,354)
Present Value of Lease Payments	$ 3,315,000

7. PURCHASED TRANSPORTATION SERVICES

During 2000 and 1999, the Authority had operating agreements with two Ohio cities that provide transit services within Cuyahoga County. The agreements provide for a fixed rate of reimbursement based on actual vehicle miles and standard operator platform hours. Expenses under these agreements were $7,610,981 in 2000 and $7,674,445 in 1999. All passenger fares related to these transit services are collected by the Authority and recorded as revenue.

In addition, the Authority has a contract with a local taxi company to provide transit services within Cuyahoga County for elderly and handicapped persons. Expenses under this contract amounted to $2,206,984 in 2000 and $1,358,440 in 1999.

8. GRANTS, REIMBURSEMENTS AND SPECIAL FARE ASSISTANCE

Grants, reimbursements and special fare assistance included in the comparative statements of revenues, expenses and changes in equity for the years ended December 31 consist of the following:

	2000	1999
FEDERAL:		
FTA Maintenance Assistance	$ 5,540,224	$ 2,936,393
Total	$ 5,540,224	$ 2,936,393
STATE:		
ODOT Maintenance Assistance	$ 4,757,935	$ 4,826,195
ODOT Elderly and Handicapped Grants	291,303	567,581
ODOT Fuel Tax Reimbursement	1,129,052	1,107,734
Total	$ 6,178,290	$ 6,501,510

9. CONTINGENCIES

Federal and State Grants - Under the terms of the various grants, periodic audits are required where certain costs could be questioned as not being an eligible expenditure under the terms of the grant. At December 31, 2000, there were no significant questioned costs that had not been resolved with the applicable federal and state agencies. Questioned costs could still be identified during audits to be conducted in the future. In the opinion of the Authority's management, no material grant expenditures will be disallowed.

Contract Disputes and Legal Proceedings - The Authority has been named as a defendant in a number of contract disputes and other legal proceedings. Although the eventual outcome of these matters cannot be predicted, it is the opinion of management that the ultimate liability is not expected to have a material effect on the Authority's financial position.

10. RETIREMENT BENEFITS

PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description - All full time employees of the Authority participate in the Public Employees Retirement System of Ohio (PERS). It is a cost -sharing multiple-employer defined benefit pension plan created by the State. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code assigns the authority to establish and amend benefits to the PERS Board of Trustees. PERS issues a stand-alone financial report. A copy of the report may be obtained by making a written request to the Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-2085.

Funding Policy - The Ohio Revised Code provides statutory authority for employee and employer contributions which are summarized as follows:

	Contribution Rate as a % of Covered Salaries	Contributions		
		2000	**1999**	**1998**
By Authority	10.84 – 13.55	$13,395,931	$ 16,113,397	$15,499,329
Less healthcare portion	4.20 – 4.30	(5,313,884)	(4,994,559)	(4,804,220)
Required employer contribution		8,082,047	11,118,838	10,695,109
By employees	8.50	10,504,190	10,108,035	9,722,826
Total pension contributions		$18,586,237	$ 21,226,873	$20,417,935

The pension contributions equaled the required contributions for each of the last three years.

The Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for both the state and local government divisions and 6% for law enforcement divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contributions dedicated to funding OPEB increased during the year for those reasons.

Healthcare - PERS provides postretirement healthcare coverage to age and service retirants with 10 or more years of qualifying Ohio service credit. Healthcare coverage for disability recipients and primary survivor recipients are also available.

The healthcare coverage provided by the retirement system is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to PERS (4.3% of the total 10.84% contributed in 2000) is set-aside for the funding of postretirement healthcare. The Ohio Revised Code provides the statutory authority requiring public employers to fund pension and postretirement healthcare through their contributions to PERS. The statutory healthcare contribution requirement from the Authority for years ended December 31, 2000 and 1999 (which is included in the Authority's total PERS contribution) was $5,513,884 and $4,994,559, respectively. At December 31, 2000, the Authority was not responsible for paying premiums, contributions or claims for OPEB under PERS for any retirees, terminated employees or other beneficiaries.

OPEB is financed through employer contributions and investment earnings thereon. The contributions allocated to retiree healthcare, along with investment income on allocated assets and periodic adjustments in healthcare provisions are expected to be sufficient to sustain the program indefinitely.

11. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to third party liability claims; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority has a contract with an outside insurance company to provide all-risk property coverage with various limits on property and equipment of the Authority. The maximum limit of liability in any one occurrence regardless of the number of locations or coverages involved, cannot exceed $657,000,000 and the deductible is $250,000 so there is substantial insurance protection in this area. The Authority also purchases excess liability insurance to protect its assets against severe losses. This umbrella liability coverage is in the amount of $75,000,000 per occurrence in excess of the $5,000,000 self-insured retention. In essence, the Authority is self-insured for third party or public liability but has protection for the catastrophic loss exposure. Settled claims have not exceeded coverage in any of the last three years.

The Authority provides employees healthcare benefits, which include medical, drug, dental, and vision. These benefits are provided through both insured and self-funded plans under group insurance agreements.

The Authority also operates a self-insurance program for workers' compensation claims. Excess workers' compensation insurance coverage protects the Authority in excess of $350,000 per accident. The GCRTA, by resolution of the Board of Trustees, established an insurance fund in fiscal year 1980 to accumulate monies to satisfy catastrophic or extraordinary losses. The insurance fund as of December 31, 2000 was $5.0 million and is recorded in restricted assets in the accompanying balance sheets.

Changes in the Authority's self insurance liabilities for public liability and worker's compensation claims in 2000 and 1999 were:

Year	Balance Beginning of Year	Incurred Claims	Payments	Balance End of Year
2000	$ 14,807,755	$ 5,584,150	$ 5,751,389	$ 14,640,516
1999	16,807,996	2,814,301	4,814,542	14,807,755

12. NEW ACCOUNTING STANDARDS

The Governmental Accounting Standards Board has issued Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions" and Statement No. 34 , "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments". These statements establish accounting standards for non-exchange transactions such as sales taxes, grants and other assistance provided to the Authority by other governmental units and revise accounting and reporting standards for general purpose external financial reporting by governmental units. Statement No. 33 is effective for the Authority's year ending December 31, 2001 and Statement No. 34 is effective for the year ending December 31, 2002. The Authority has not completed an analysis of the impact of these two statements on its reported financial condition and results of operations.

GREATER CLEVELAND REGIONAL AUTHORITY

SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN EQUITY – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2000

	BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES:			
Passenger and Other Transit Fares	$44,920,000	$41,588,902	$(3,331,098)
Advertising and Concessions	2,600,000	2,466,421	(133,579)
Total Operating Revenues	47,520,000	44,055,323	(3,464,677)
OPERATING EXPENSES:			
Departmental (See detail on following page)	210,382,793	207,570,812	2,811,981
Non-Departmental	1,261,000	2,703,806	(1,442,806)
Total Operating Expenses	211,643,793	210,274,618	1,369,175
OPERATING PROFIT (LOSS)	(164,123,793)	(166,219,295)	(2,095,502)
NON-OPERATING REVENUES (EXPENSES):			
Sales and Use Tax Revenues	157,400,000	160,748,146	3,348,146
Federal Operating Grants and Reimbursements	7,700,000	10,044,512	2,344,512
State Operating Grants, Reimbursements	5,301,000	4,831,507	(469,493)
Interest Income	2,843,000	2,894,952	51,952
Debt Service:			
Principal Retirement	(3,835,000)	(3,835,000)	0
Interest	(5,118,764)	(5,118,764)	0
Other Income	43,570,725	11,013,061	(32,557,664)
Total Non-Operating Revenues (Expenses)-Net	207,860,961	180,578,414	(27,282,547)
NET CAPITAL OUTLAY:			
Capital Outlay	(113,461,873)	(48,994,591)	64,467,282
Capital Grants Reimbursements:			
Federal	59,336,300	25,443,528	(33,892,772)
State	20,960,000	4,404,235	(16,555,765)
Total Capital Outlay-Net	(33,165,573)	(19,146,828)	14,018,745
Net Income (Loss)	10,571,595	(4,787,709)	(15,359,304)
Fund Balance - January 1	37,269,103	39,860,079	2,590,976
Fund Balance – December 31	$ 47,840,698	$ 35,072,370	$ (12,768,328)

GREATER CLEVELAND REGIONAL AUTHORITY

SUPPLEMENTAL SCHEDULE OF DEPARTMENTAL EXPENSES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2000

DEPARTMENT	BUDGET	ACTUAL	VARIANCE
Euclid Corridor Improvement Project	$ 341,800	$ 336,868	$ 4,932
Office of Small Business & Equal Opportunity	560,970	557,363	3,607
Engineering & Construction	1,928,888	1,898,630	30,258
Executive	1,482,350	1,474,523	7,827
Human Resources	1,210,595	1,190,901	19,694
Risk Management	7,463,688	6,651,621	812,067
Secretary-Treasurer/Board of Trustees	250,930	248,050	2,880
Labor Relations	727,811	715,598	12,213
Internal Audit	534,447	504,756	29,691
Legal Services	1,866,969	1,561,963	305,006
Training Services and Career Development	1,081,795	992,626	89,169
Paratransit	7,070,066	7,069,355	711
Rail Operations	14,241,141	14,163,382	77,759
Transit Police	7,162,901	7,066,071	96,830
Bus Transportation Management	3,484,672	3,417,229	67,443
Power	10,553,184	10,360,260	192,924
Facilities Maintenance	10,535,825	10,602,583	(66,758)
Bus Equipment	23,304,395	23,929,485	(625,090)
Rail Equipment	6,258,495	6,030,210	228,285
Technical Services	571,077	494,247	76,830
Sattellites and Subgrantees	6,983,885	6,973,744	10,141
Paratransit Equipment	1,785,054	1,591,058	193,996
Hayden Station	17,104,378	17,005,723	98,655
Harvard Station	17,354,368	17,344,392	9,976
Brooklyn Station	12,343,125	12,322,096	21,029
Triskett Station	13,972,692	13,902,476	70,216
Customer Relations	711,728	695,821	15,907
Community Relations	302,983	285,337	17,646
Marketing	2,000,441	1,874,819	125,622
Operations Planning	2,700,259	2,663,007	37,252
Strategic Planning & Research	760,073	696,918	63,155
Media Relations	245,903	229,824	16,079
Programming & Planning	398,218	381,096	17,122
Accounting	1,506,273	1,490,360	15,913
Information Systems	3,043,469	2,977,013	66,456
Support Services	1,956,594	1,716,264	240,330
Procurement and Contract Administration	2,036,695	1,885,580	151,115
Revenue	2,929,577	2,884,328	45,249
Inventory	19,222,913	19,159,136	63,777
Finance	732,641	603,789	128,852
Organizational Planning & Development	1,659,525	1,622,310	37,215
Total	210,382,793	207,570,812	2,811,981
Fund Transfers	16,474,815	16,474,815	0
Grand Total	$226,857,608	$224,045,627	$2,811,981

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2000 STATISTICAL SECTION

TABLE 1

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

REVENUES BY SOURCE
LAST TEN YEARS (IN THOUSANDS)

YEAR	OPERATING	SALES AND USE TAXES	FEDERAL OPERATING GRANTS AND REIMBURSEMENTS	STATE OPERATING GRANTS, REIMBURSEMENTS, AND SPECIAL FARE ASSISTANCE	INVESTMENT INCOME	OTHER	TOTAL
1991	$ 41,169	$ 98,744	$ 9,910	$ 8,610	$ 5,282	$ 2,294	$ 166,009
1992	39,729	102,684	10,069	8,080	3,013	1,877	165,452
1993	43,116	108,700	11,978	8,464	2,230	612	175,100
1994	44,200	118,087	8,986	8,417	2,618	784	183,092
1995	44,062	127,771	7,954	7,505	3,357	644	191,293
1996	44,504	131,773	4,007	6,751	4,807	396	192,238
1997	44,975	138,654	4,000	6,835	3,204	1,232	198,900
1998	45,437	146,703	552	6,069	3,756	602	203,119
1999	44,031	151,406	2,936	6,502	2,654	377	207,906
2000	44,589	161,992	5,540	6,178	2,743	2,923	223,965

TABLE 2

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

REVENUES AND OPERATING ASSISTANCE – COMPARISON TO INDUSTRY TREND DATA LAST TEN YEARS

TRANSPORTATION INDUSTRY (1):

	OPERATING AND OTHER MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			
YEAR	FARES	OTHER	TOTAL	STATE & LOCAL	FEDERAL	TOTAL	TOTAL REVENUES
1990	36.7%	5.6%	42.3%	51.7%	6.0%	57.7%	100%
1991	36.5	4.6	41.1	53.1	5.8	58.9	100
1992	36.4	3.8	40.2	54.1	5.7	59.8	100
1993	36.8	4.4	41.2	53.2	5.6	58.8	100
1994	37.6	12.6	50.2	44.7	5.1	49.8	100
1995	37.3	15.4	52.7	42.8	4.5	47.3	100
1996	37.6	15.5	53.1	44.0	2.9	46.9	100
1997	40.1	15.6	55.7	41.3	3.0	44.3	100
P1998	40.8	15.2	56.0	40.1	3.9	44.0	100
1999	*	*	*	*	*	*	*

GREATER CLEVLEAND REGIONAL TRANSIT AUTHORITY:

	OPERATING AND OTHER MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			
YEAR	FARES	OTHER(2)	TOTAL	STATE & LOCAL(3)	FEDERAL	TOTAL	TOTAL REVENUES
1990	23.9%	4.9%	28.8%	65.5%	5.7%	71.2%	100%
1991	24.8	4.5	29.3	64.7	6.0	70.7	100
1992	23.3	3.6	26.9	67.0	6.1	73.1	100
1993	23.8	2.5	26.3	66.9	6.8	73.7	100
1994	23.5	2.5	26.0	69.1	4.9	74.0	100
1995	22.3	2.8	25.1	70.7	4.2	74.9	100
1996	22.3	3.5	25.8	72.1	2.1	74.2	100
1997	21.9	3.0	24.9	73.1	2.0	75.1	100
1998	21.3	3.2	24.5	75.2	0.3	75.5	100
1999	20.1	2.5	22.6	76.0	1.4	77.4	100

* Not Available
P Preliminary

(1) Source: The American Public Transit Association, APTA 2000 Transit Fact Book , Table 17.
(2) Other miscellaneous revenue includes advertising and concessions, interest income and other non-operating income.
(3) State & local operating assistance include sales and use tax revenues and state operating grants, reimbursements and special fare assistance.

TABLE 3

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

EXPENSES BY FUNCTION
LAST TEN YEARS (IN THOUSANDS)

YEAR	TRANSPORTATION	MAINTENANCE	GENERAL AND ADMINISTRATIVE	DEPRECIATION	TOTAL OPERATING EXPENSES	INTEREST	OTHER	TOTAL EXPENSES
1991	$ 58,585	$43,181	$53,603	$18,832	$174,201	$ 2,549	$ 118	$176,868
1992	57,195	41,784	60,415	26,245	185,639	2,195	2,814	190,648
1993	56,381	42,716	58,443	25,012	182,552	2,137	-0-	184,689
1994	60,522	43,286	61,292	28,185	193,285	1,561	85	194,931
1995	64,756	52,050	54,806	46,347	217,959	1,070	4	219,033
1996	71,565	54,146	56,977	31,621	214,309	4,492	-0-	218,801
1997	71,854	56,805	58,729	29,476	216,864	4,888	-0-	221,752
1998	76,200	61,757	59,176	34,417	231,550	5,617	-0-	237,167
1999	81,033	63,726	61,924	36,389	243,072	5,891	1,267	250,230
2000	85,647	67,727	66,896	37,093	257,363	5,672	-0-	263,035

TABLE 4

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

OPERATING EXPENSES – COMPARISON TO INDUSTRY TREND DATA
LAST TEN YEARS

TRANSPORTATION INDUSTRY (1):

YEAR	LABOR AND FRINGES	MATERIALS AND SUPPLIES	SERVICES	UTILITIES	SELF-INSURANCE CLAIMS	PURCHASED TRANSPORTATION	OTHER	TOTAL OPERATING EXPENSES**
1991	68.9%	9.4%	4.9%	3.5%	3.8%	9.9%	(0.4)%	100%
1992	71.4	9.1	5.4	3.6	3.3	9.6	(2.4)	100
1993	71.0	8.9	5.3	3.6	3.4	10.4	(2.6)	100
1994	70.8	8.9	4.7	3.6	3.4	10.9	(2.3)	100
1995	71.1	9.0	4.8	3.5	2.9	10.8	(2.1)	100
1996	71.6	9.3	5.1	3.6	2.8	9.9	(2.3)	100
1997	72.2	9.4	5.6	3.7	2.7	9.1	(2.7)	100
1998	71.7	9.4	6.0	3.5	2.4	10.1	(3.1)	100
P1999	70.9	9.2	5.9	3.3	2.2	11.5	(3.0)	100
2000	*	*	*	*	*	*	*	*

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY:

YEAR	LABOR AND FRINGES	MATERIALS AND SUPPLIES	SERVICES	UTILITIES	SELF-INSURANCE CLAIMS	PURCHASED TRANSPORTATION	OTHER	TOTAL OPERATING EXPENSES**
1991	72.0%	11.2%	4.4%	4.8%	0.9%	4.8%	1.9%	100%
1992	72.6	8.5	5.5	4.7	2.0	4.6	2.1	100
1993	73.0	9.6	4.6	4.5	0.6	4.7	3.0	100
1994	73.1	9.2	4.8	4.0	2.2	4.4	2.3	100
1995	73.6	8.3	4.3	3.8	3.4	3.9	2.7	100
1996	71.8	10.4	4.7	3.5	2.9	4.3	2.4	100
1997	71.3	10.0	4.8	3.9	2.9	4.7	2.4	100
1998	72.8	9.5	4.6	4.1	1.9	4.2	2.9	100
1999	73.9	8.6	4.8	3.6	1.4	4.4	3.3	100
2000	70.2	10.5	6.1	3.5	2.5	4.5	2.7	100

P Preliminary
* Not Available
** Excludes Depreciation and Interest

Source:
(1) The American Public Transit Association, APTA 2001 Transit Fact Book , Table 24.

TABLE 5

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA LAST TEN YEARS (IN THOUSANDS EXCEPT PER CAPITA AMOUNTS)

YEAR	POPULATION (1)	ASSESSED VALUE (2)	GENERAL BONDED DEBT	RATIO OF BONDED DEBT TO ASSESSED VALUE	BONDED DEBT PER CAPITA
1991	1,412	$20,653,129	$18,500	.09%	$ 13.10
1992	1,414	20,740,124	23,400	.11	16.55
1993	1,411	20,899,290	20,700	.10	14.67
1994	1,403	22,780,189	17,000	.07	12.12
1995	1,396	22,942,030	13,250	.06	9.49
1996	1,402	23,358,249	78,500	.34	56.00
1997	1,387	24,953,150	73,645	.31	53.10
1998	1,381	25,355,787	103,242	.41	74.76
1999	1,372	25,633,181	99,920	.39	72.83
2000	1,394	28,572,250	96,370	.34	69.13

Sources:
(1) Estimates – Various Sources.
(2) Cuyahoga County Auditor's Office, Budget Commission – Collection Year Data

TABLE 6

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

LEGAL DEBT MARGIN
DECEMBER 31, 2000 (IN THOUSANDS)

OVERALL DEBT LIMITATION:

Total Of All GCRTA Debt Outstanding	$101,238
Exempt Debt	101,238
Net Indebtedness (Voted and Unvoted)	$ 0
Assessed Valuation Of County (2000 Tax Year)	$28,572,250
Overall Debt Limitation (%)	5.0%
5.0% of Estimated Assessed Valuation (Voted and Unvoted Debt Limitation)	$ 1,428,613
Net Indebtedness (Voted and Unvoted)	$ 0
Overall Debt Margin	$ 1,428,613

UNVOTED DEBT LIMITATION:

Unvoted Debt Limitation (0.1% of County Assessed Valuation)	$ 28,572
Maximum Aggregate Amount Of Principal and Interest Payable In Any One Calendar Year	(9,421)
Maximum Annual Debt Service Charges Permitted For New Debt Issuances	$ 19,151

TABLE 7

GREATER REGIONAL TRANSIT AUTHORITY

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2000

	GROSS DEBT	DEBT SERVICE FUND	NET DEBT	PERCENT APPLICABLE (3)	AUTHORITY SHARE
Greater Cleveland Regional Transit Authority	$ 101,237,986	--	$ 101,237,986	100%	$ 101,237,986
County of Cuyahoga (1)	231,044,636	$4,009,551	227,035,085	100	227,035,085
Cuyahoga County Cities, Villages, Townships (1)...........	861,888,480	30,389,732	831,498,748	100	831,498,748
Cuyahoga County School Districts (2)...	537,810,351	58,140,808	479,669,543	100	479,669,543
Total Net Direct and Overlapping Debt					$1,639,441,362

(1) 2001 Tax Budgets filed in July 2000 and certified unencumbered 2001 balances filed in January 2001 with Cuyahoga County Budget Commission. Budgetary basis.

(2) Cuyahoga County School Districts file on fiscal year ended June 30, 2000.

(3) Percent applicable to the Authority calculated using assessed valuation of the portion within the County divided by the assessed valuation of the taxing district. Assessed valuation of taxing districts furnished by Cuyahoga County Budget Commission.

TABLE 8

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

LONG TERM DEBT COVERAGE
LAST TEN YEARS (IN THOUSANDS)

YEAR	GROSS REVENUES (1)	EXPENSES (2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	TOTAL	COVERAGE
1991	$166,009	$155,487	$10,522	$5,107	$2,549	$7,656	1.37
1992	165,452	162,208	3,244	5,100	2,195	7,295	0.45
1993	175,100	157,540	17,560	2,700	2,137	4,837	3.63
1994	183,092	165,185	17,907	3,700	1,561	5,261	3.40
1995	191,293	171,616	19,677	3,750	1,070	4,820	4.08
1996	192,238	182,688	9,550	4,750	4,492	9,242	1.03
1997	198,900	187,387	11,513	4,855	4,888	9,743	1.18
1998	203,119	197,133	5,986	3,655	5,617	9,272	.65
1999	207,906	206,683	1,223	3,620	5,891	9,511	.13
2000	223,965	220,270	3,695	3,835	5,672	9,507	.39

(1) Total revenues include interest and other non-operating revenues.
(2) Total expenses exclusive of depreciation, loss on disposal of assets and interest expense.

TABLE 9

GREATER REGIONAL TRANSIT AUTHORITY

FAREBOX RECOVERY PERCENTAGE
LAST TEN YEARS

YEAR	PERCENTAGE
1991	26.5
1992	24.9
1993	27.4
1994	26.7
1995	25.7
1996	24.4
1997	24.0
1998	23.0
1999	21.3
2000	20.2

NOTE – Represents operating revenues divided by operating expenses before depreciation.

FARE STRUCTURE
DECEMBER 31, 2000

	LOCAL	EXPRESS AND RAPID TRANSIT
Cash Fare	$ 1.25	$ 1.50
Senior Citizens	.50	.50
Handicapped	.50	.50
Students	1.00	1.00
Children (under 6 yrs. of age with adult)	Free	Free
Downtown Loop and Community Circulators	.50	*
Tickets (5)	5.95	7.15
Passes:		
All Day Pass	4.00	4.00
Weekly	11.25	13.50
Monthly	45.00	54.00
Transfer:		
Local	No Charge	.25
Express	No Charge	No Charge
Family Fares:		
Adult with up to three (3) children	1.25	1.50
Children (6 yrs. to 15 yrs.)	1.00	1.00
All Day Family Pass	6.00	6.00
Special:		
Through rides between Downtown Cleveland and:		
Avon Lake (Lorain County)	*	2.50
Willowick/Wickliffe (Lake County)	*	2.50
Brunswick (Medina County)	*	2.50
Richfield Township (Summit County)	*	2.50

* Not applicable

TABLE 10

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

OPERATING STATISTICS (1)
LAST TEN YEARS

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
SYSTEM RIDERSHIP:										
Motor Bus	59,556,535	55,932,275	52,906,861	52,547,441	50,235,364	49,433,107	51,523,280	50,682,872	49,140,405	51,591,534
Heavy Rail	4,738,175	4,657,616	4,072,575	4,520,799	4,663,656	5,139,718	5,241,176	5,455,860	5,658,763	7,340,705
Light Rail	3,200,384	3,319,588	2,747,968	2,888,243	3,052,571	3,846,521	4,082,873	4,091,176	4,164,389	4,318,399
Demand Responsive	411,594	411,120	357,832	333,461	314,655	316,927	324,008	327,870	340,190	310,894
AVERAGE WEEKDAY SYSTEM RIDERSHIP:										
Motor Bus	204,817	192,671	184,110	181,345	172,782	170,541	177,280	174,798	169,338	170,191
Heavy Rail	16,295	16,013	14,170	15,639	17,063	17,732	18,129	18,817	19,500	18,736
Light Rail	11,006	11,413	9,561	9,992	10,847	13,270	14,122	14,110	14,351	13,654
Demand Responsive	1,526	1,518	1,404	1,265	1,065	1,086	1,121	1,130	1,173	1,209
AVERAGE WEEKDAY MILES OPERATED:										
Motor Bus	89,886	81,432	78,308	79,313	82,391	84,750	85,135	89,012	91,394	91,626
Heavy Rail	7,441	7,251	6,351	6,467	6,351	6,525	6,243	6,176	6,309	3,854
Light Rail	4,193	3,975	3,471	3,562	3,472	3,953	3,984	3,848	3,831	2,749
Demand Responsive	3,708	3,909	3,595	3,422	3,422	3,347	5,960	6,479	5,502	7,092
REVENUE MILES:										
Motor Bus	22,569,334	20,737,117	19,864,055	20,366,927	20,481,259	21,008,961	21,306,672	22,532,413	23,325,952	23,523,043
Heavy Rail	2,009,989	2,133,698	1,907,502	1,909,905	1,988,626	2,014,972	2,046,418	2,030,450	2,066,821	1,354,898
Light Rail	1,139,401	1,170,330	970,694	953,453	1,015,575	1,118,618	1,180,827	1,182,715	1,254,164	924,543
Demand Responsive	1,050,761	1,179,785	699,729	667,870	679,667	1,042,942	1,395,656	1,130,418	1,232,838	1,785,104
PASSENGER MILES:										
Motor Bus	197,073,076	169,052,451	156,752,810	188,199,597	175,161,932	183,451,305	195,815,042	206,200,170	206,546,438	198,957,849
Heavy Rail	48,889,688	41,279,454	50,181,515	52,986,065	51,333,253	61,466,197	56,561,092	54,247,521	51,419,115	54,008,892
Light Rail	32,940,864	31,185,127	26,511,608	27,179,362	27,675,419	30,034,676	30,685,785	29,029,628	25,986,194	24,851,765
Demand Responsive	1,652,801	1,708,995	1,264,932	1,442,864	1,510,661	1,673,429	1,397,001	1,412,694	1,457,392	1,926,818

(Continued)

TABLE 10

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

OPERATING STATISTICS (1)
LAST TEN YEARS (Continued)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
ENERGY CONSUMPTION:										
Motor Bus										
(gallons of fuel)...............	6,655,373	6,203,078	5,373,272	5,821,016	5,362,831	5,726,202	5,575,969	4,866,308	4,522,858	4,993,462
(lbs. of natural gas)	78,626	815,608	813,815	870,301	1,058,628	1,446,431	1,505,091	1,725,192	2,098,956	1,940,307
Heavy Rail										
(kilowatt hours)...............	29,642,113	32,798,462	30,821,033	29,615,264	28,075,195	28,266,317	28,556,916	27,399,187	28,739,870	28,337,880
Light Rail										
(kilowatt hours)...............	13,503,415	14,933,592	13,897,779	14,715,134	16,479,056	17,117,212	16,906,883	15,699,132	17,106,108	17,427,148
Demand Responsive										
(gallons of fuel)...............	161,804	173,120	161,455	160,238	164,346	206,311	229,331	282,229	223,947	230,579
FLEET REQUIREMENT DURING PEAK HOURS:										
Motor Bus..........................	630	617	586	636	591	601	595	594	604	619
Heavy Rail	3.8	30	35	35	35	30	30	28	28	28
Light Rail...........................	28	26	24	26	26	25	26	26	26	25
Demand Responsive	46	52	49	49	49	51	60	58	59	81
TOTAL ACTIVE VEHICLES DURING PERIOD:										
Motor Bus..........................	756	649	702	723	782	709	754	750	747	753
Heavy Rail	60	59	59	59	59	59	59	59	60	60
Light Rail...........................	48	47	47	47	47	47	47	47	47	47
Demand Responsive	83	52	49	59	58	52	60	58	83	81
NUMBER OF EMPLOYEES:	2,835	2,670	2,550	2,604	2,738	2,807	2,821	2,859	2,968	3,052

Source:
(1) National Transit Database Report, Urban Mass Transportation Act of 1964

(Concluded)

TABLE 11

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

DEMOGRAPHIC STATISTICS

YEAR	COUNTY POPULATION (1)	MSA
1940	1,217,250	1,319,734
1950	1,389,532	1,532,574
1960	1,647,895	1,909,483
1970	1,721,300	2,063,729
1980	1,498,400	1,898,825
1990	1,412,140	1,831,122
2000.	1,393,978	1,863,479

AGE DISTRIBUTION (2)	2000 NUMBER	2000 PERCENTAGE
Under 5 years	90,996	6.5%
5 – 9 yrs	101,372	7.3
10 – 14 yrs	99,235	7.1
15 – 19 yrs	89,960	6.5
20 – 24 yrs	77,515	5.6
25 – 34 yrs	188,873	13.5
35 – 44 yrs	219,449	15.7
45 – 54 yrs	187,601	13.5
55 – 59 yrs	65,599	4.7
60 – 64 yrs	56,217	4.0
65 – 74 yrs	107,327	7.7
75 – 84 yrs	82,469	5.9
85 yrs and over	27,365	2.0
TOTAL	1,393,978	100.00%
Median age	37.3	
Males	658,481	
Females	735,497	

DISTRIBUTION OF FAMILIES BY IN COME BRACKET (Average 2.5 persons) (3)

INCOME (2)	1990 NUMBER	1990 PERCENTAGE	1980 NUMBER	1980 PERCENTAGE
$0-4,999	23,425	4.78%	30,144	7.61%
$5,000-14,999	50,386	10.29	87,435	22.08
$15,000-24,999	71,961	14.70	112,047	28.30
$25,000-49,999	188,143	38.42	138,831	35.07
OVER $50,000	155,791	31.81	27,475	6.94
Total	489,706	100.00%	395,932	100.00%
Median Family Income	$37,140		$22,071	
Per Capita Income	$15,092		$ 8,099	

Source:

(1) Ohio Department of Development – The Metropolitan Statistical Area (MSA), as defined by the Department of Development, includes Lake, Geauga, Medina, and Cuyahoga Counties.

(2) Ohio Bureau of Employment Services.

(3) U.S. Census Bureau. 2000 data not available.

(Continued)

TABLE 11

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

DEMOGRAPHIC STATISTICS
LAST TEN YEARS (Continued)

EMPLOYMENT-ANNUAL AVERAGE (1):

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Total Civilian Labor Force	675,100	678,000	673,900	675,600	676,600	678,800	676,800	699,200	681,200	691,000
Total Employed*	635,700	629,200	627,900	636,300	644,200	643,800	637,400	668,500	649,900	659,900
Total Unemployed	39,400	48,800	46,000	39,300	32,400	35,000	39,400	30,700	31,300	31,100
Unemployment Rate	5.8%	7.2%	6.8%	5.8%	4.8%	5.2%	5.8%	4.4%	4.6%	4.5%

EMPLOYMENT BY SECTOR (1):
(Amounts in 000's)

	MANUFACTURING		WHOLESALE RETAIL TRADE		PROFESSIONAL AND RELATED SERVICES		STATE AND LOCAL GOVERNMENT		FINANCE, INSURANCE, REAL ESTATE		TRANSPORTATION AND PUBLIC UTILITIES		OTHER		TOTAL	
YEAR	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%	NUMBER	%
1991.........	156.0	21.2	179.9	24.4	209.9	28.5	81.2	11.0	51.0	7.0	33.7	4.6	24.1	3.3	735.8*	100
1992.........	147.3	20.4	176.6	24.4	210.1	29.0	82.1	11.3	53.1	7.3	32.4	4.5	22.4	3.1	724.0*	100
1993.........	140.9	19.1	176.4	24.0	219.8	29.9	82.2	11.3	53.7	7.3	31.8	4.3	30.2	4.1	735.0*	100
1994.........	139.5	18.6	181.0	24.1	227.3	30.2	83.6	11.1	56.7	7.5	33.1	4.4	30.5	4.1	751.7*	100
1995.........	140.0	18.3	187.7	24.5	236.3	30.8	80.1	10.5	57.6	7.5	33.2	4.3	31.2	4.1	766.1*	100
1996.........	137.1	17.8	188.8	24.5	236.8	30.7	81.1	10.5	59.8	7.8	33.8	4.4	32.8	4.3	770.2*	100
1997.........	136.3	17.3	192.9	24.5	242.8	30.9	84.1	10.7	62.2	7.9	34.4	4.4	33.4	4.3	786.1*	100
1998.........	136.5	17.0	195.1	24.4	252.9	31.6	84.8	10.6	63.7	7.9	34.9	4.4	32.9	4.1	800.8*	100
1999.........	133.3	16.5	195.5	24.2	259.6	32.2	83.3	10.3	67.9	8.4	34.7	4.3	33.1	4.1	807.4*	100
2000.........	128.8	16.0	189.3	23.6	264.4	32.9	83.9	10.4	68.4	8.5	34.8	4.3	34.7	4.3	804.3*	100

Sources:

(1) Ohio Bureau of Employment Services

* Difference due to non-County residents employed in County.

(Concluded)

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

MISCELLANEOUS STATISTICS

Date of Creation of Authority by Local Legislature	December 30, 1974
Date the Authority Began Operation	September 5, 1975
Form of Government	Board of Trustees with General Manager
Number of Trustees	10
County in which Authority Operates	Cuyahoga County, Ohio
Type of Tax Support	Cuyahoga County Sales Tax – 1%
Cities and Towns Serviced	59
Area of Authority in Square Miles	459
Population of County	1,393,978
Miles of Route:	
Motor Bus	1,108.0
Rail	68.0
Number of Routes	102
Wheelchair Equipped Standard Busses	688
Number of Rail Stations	52
Number of Busses	754
Free Rail Parking Spaces	8,500
Number of Scheduled Lines:	
Motor Bus	99
Rail	3
Average Speed in Miles Per Hour:	
Motor Bus	12.6
Rail	18.6
Demand Responsive	10.5
Rail Cars Per Train	1, 2 or 3
Number of Calls Received at the Information Center for the Year	1.6 Million

STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 31, 2001