

A RESOLUTION AUTHORIZING AND DIRECTING THAT THE ACCOUNTING SYSTEM OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY BE CHANGED FROM ENTERPRISE TO GOVERNMENTAL FUNDS ACCOUNTING EFFECTIVE AS OF JANUARY 1, 1979

WHEREAS, the Greater Cleveland Regional Transit Authority (the Authority) is an independent, special purpose political subdivision of the State of Ohio with powers derived from Sections 306.30 through 306.71 of the Ohio Revised Code; and

WHEREAS, the Authority as a political subdivision is distinct from and is not an agency of any other local government; and

WHEREAS, the Authority was created on December 30, 1974, pursuant to Sections 306.30 through 306.71 of the Ohio Revised Code, by ordinance of the Council of the City of Cleveland and by resolution of the Board of County Commissioners of Cuyahoga County, both passed on December 30, 1974; and

WHEREAS, the Authority when it became operational on September 5, 1975, retained the financial reporting, books, and records system used by a predecessor, the Cleveland Transit System, accounting for its operations as an "Enterprise Fund", a type of fund within the "Proprietary Funds" Category defined by the National Council on Governmental Accounting in its Statement 1, dated March, 1979; and

WHEREAS, the Authority disavows any intention to recover the costs of operations primarily through user charges; and

WHEREAS, the Authority has decided that a periodic determination of revenue earned, expenses incurred and net income is not appropriate for capital maintenance, public policy, management control, accountability or for any other purpose of the Authority; and


WHEREAS, the Authority's Director of Accounting, its Manager of Finance and Administrative Services and its Secretary-Treasurer have recommended that the Authority disavow any intention to be an Enterprise Fund and change its accounting to the "Governmental Funds" category defined by said National Council on Governmental Accounting;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That it is hereby authorized and directed that the accounting system of the Authority shall be changed from "Enterprise" to "Governmental Funds" accounting as defined by the National Council on Governmental Accounting.

Section 2. That this resolution shall be effective as of
January 1, 1979, upon its passage.

Adopted: July 1, 1980


President

Attest:


Secretary-Treasurer