

RESOLUTION NO. 2008-79

AMENDING RESOLUTION NO. 2007-177 TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND IN THE AMOUNT OF \$315,000

WHEREAS, GCRTA has an Insurance Fund that includes both self-insurance and purchased insurance; and

WHEREAS, the Board adopted an increase to the budget appropriation for the Insurance Fund; and

WHEREAS, the Insurance Fund was increased pursuant to Resolution No. 2008-011 and 2008-060; and

WHEREAS, the GCRTA must pay a claim settlement which was not budgeted as it was not finalized until after the preparation of the 2008 budget; and

WHEREAS, funds for this action are charged to the Insurance Fund; and

WHEREAS, the General Manager/Secretary-Treasurer recommends that the Insurance Fund be used to absorb these costs.

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

Section 1. That Resolution No. 2007-177 be hereby amended as follows:

	<u>INSURANCE FUND</u>		
	<u>CURRENT 2008 APPROPRIATION</u>	<u>AMENDED 2008 APPROPRIATION</u>	<u>INCREASE</u>
22 RISK MANAGEMENT			
Payment of claims & Premiums.	\$2,894,230	\$3,209,230	\$315,000


Section 2. That Resolution No. 2007-177 shall remain unchanged in all other respects.

Section 3. That this resolution shall become effective immediately upon its adoption.

Adopted: May 20, 2008



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AMENDING RESOLUTION NO. 2007-177 TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND IN THE AMOUNT OF \$315,000	Resolution No.: 2008-79
	Date: May 8, 2008
	Initiator: Office of Management and Budget
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 PURPOSE/SCOPE: This action will amend the 2008 Appropriation Budget for the expenditures under the Insurance Fund.
- 2.0 DESCRIPTION/JUSTIFICATION: On December 18, 2007, the Board adopted the 2008 Budget for the GCRTA Insurance Fund in the amount of \$1,484,230. That amount was increased pursuant to Resolution No. 2008-011, by \$1,225,000, and 2008-060, by \$185,000. Since that time, a claim was received which requires payment totaling \$315,000 of which all must be paid in 2008. A settlement was reached after the preparation of the 2008 Budget; therefore, an additional amendment to the 2008 appropriation is required.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: This action is consistent with the policy guidelines for use of the Insurance Fund.
- 6.0 ECONOMIC IMPACT: This resolution recognizes the increase in the estimate of expenditures out of the Insurance Fund from the current budget of \$2,894,230 to the new amended budget of \$3,209,230.
- 7.0 ALTERNATIVES: Not approve the action as proposed. The Board could direct that the costs associated with the claim settlement be paid out of another fund. Or, the Board could direct that no action be taken which could have negative legal and financial consequences.
- 8.0 RECOMMENDATION: It is recommended that the Board adopt as proposed.
- 9.0 ATTACHMENTS: No Attachments.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

CEO, General Manager/Secretary-Treasurer