

RESOLUTION NO. 2009-41

AMENDING RESOLUTION NO. 2009-004 TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND IN THE AMOUNT OF \$1,775,000

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

WHEREAS, the GCRTA must pay claim settlements which were not budgeted as it was not finalized until after the preparation of the 2009 budget; and

WHEREAS, funds for this action are available in 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:

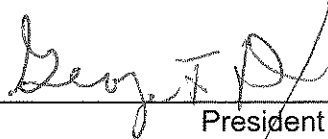
Section 1. That Resolution No. 2009-004 be hereby amended as follows:

	<u>INSURANCE FUND</u>		
	<u>CURRENT 2009 APPROPRIATION</u>	<u>AMENDED 2009 APPROPRIATION</u>	<u>INCREASE</u>
22 RISK MANAGEMENT			
Payment of claims & Premiums.	\$3,200,000	\$4,975,000	\$1,775,000

Section 2. That Resolution No. 2009-004 shall remain unchanged in all other respects.

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

Adopted: May 19, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING AN AMENDMENT TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND AMOUNT: \$1,775,000	Resolution No.: 2009-41
	Date: May 14, 2009
	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 2009 Appropriation Budget for the expenditures under the Insurance Fund.
- 2.0 **DESCRIPTION/JUSTIFICATION:** RTA has claims totaling \$1,775,000 requiring payment in 2009. Settlements were reached after the preparation of the 2009 Budget; therefore, an amendment to the 2009 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 \$3,200,000 to the new amended budget of \$4,975,000.
- 7.0 **ALTERNATIVES:** To not approve the action as proposed. The Board could direct that the costs associated with the claim settlements 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 approve the amendment to Resolution No. 2009-004 to increase the appropriation in the insurance fund by \$1,775,000.
- 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