

RESOLUTION NO. 2017-80

AMENDING CHAPTER 460 OF THE CODIFIED RULES AND REGULATIONS
OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY BY
UPDATING THE FINANCIAL POLICIES TO ESTABLISH A MEDICAID SALES
AND USE TAX TRANSITION FUND ACCOUNT

WHEREAS, Ohio law now requires the Greater Cleveland Regional Transit Authority ("Authority") to establish a Medicaid Sales and Use Tax Transition Fund in order to receive State of Ohio funding for the loss of sales and use tax revenue following the federal government ruling requiring removal of Medicaid managed health care organizations from Ohio's sales and use tax base; and

WHEREAS, payments from the State of Ohio will be distributed on or before November 1, 2017 and between January 1, 2018 and February 1, 2018 for the loss of sales and use tax from Medicaid managed health care organizations; and

WHEREAS, the Authority must receive these payments from the State through the Medicaid Sales and Use Tax Transition Fund and then transfer these payments as soon as possible to the General Fund of the Authority; and

WHEREAS, it is in the best interest of the Authority to amend its financial policies contained in Chapter 460 of the Authority's Codified Rules and Regulations, to establish the Medicaid Sales and Use Tax Transition Fund Account; and

WHEREAS, Authority's financial policies are subject to review and revision by the Board of Trustees.

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

Section 1. That Chapter 460 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority is hereby amended by adding Section 460.04(g) to read as follows:

460.04 General Fund

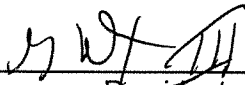
(g) A Medicaid Sales and Use Tax Transition Fund Account may be established to receive payments from the State of Ohio for the loss of sales and use tax revenue from Medicaid managed health care organizations.

Section 2. That all other provisions of Chapter 460 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority shall remain in full force and effect.

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

Adopted: September 19, 2017

Attest: 
CEO, General Manager/Secretary-Treasurer

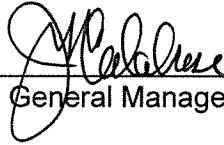

President



TITLE/DESCRIPTION: AMENDING CHAPTER 460 OF GCRTA'S CODIFIED RULES AND REGULATIONS BY UPDATING THE FINANCIAL POLICIES TO ESTABLISH A MEDICAID SALES AND USE TAX TRANSITION FUND ACCOUNT	Resolution No.: 2017-80
	Date: September 14, 2017
	Initiator: Office of Management & 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 financial policies contained in Chapter 460 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority ("GCRTA"). This change would establish a Medicaid Sales and Use Tax Transition Fund Account. The change was discussed at the Board's Finance Committee meeting on September 19, 2017.
- 2.0 DESCRIPTION/JUSTIFICATION: Ohio law now requires that GCRTA establish a Medicaid Sales and Use Tax Transition Fund in order to receive State of Ohio funding for the loss of sales and use tax revenue following the federal government ruling requiring removal of Medicaid managed health care organizations from Ohio's sales and use tax base. Payments from the State of Ohio will be distributed on or before November 1, 2017 and between January 1, 2018 and February 1, 2018 for the loss of sales and use tax from Medicaid managed health care organizations. GCRTA must receive these payments from the State through the Medicaid Sales and Use Tax Transition Fund and then transfer these payments as soon as possible to the General Fund of the Authority.
- 3.0 PROCUREMENT BACKGROUND: Not applicable.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: This revision is necessary to establish a Medicaid Sales and Use Tax Transition Fund Account so that GCRTA can receive State of Ohio funding to replace sales and use tax revenue lost following the federal government ruling requiring removal of Medicaid managed health care organizations from Ohio's sales and use tax base
- 6.0 ECONOMIC IMPACT: Following the removal of Medicaid managed health care organizations from the Ohio sales and use tax base, the State of Ohio added a provision in the 2018 Budget to provide 15 months of funding to replace the lost revenue.
- 7.0 ALTERNATIVES: The alternative would be to not establish the Medicaid Sales and Use Tax Transition Fund and potentially lose 15 months of State funding.
- 8.0 RECOMMENDATION: It is recommended that this resolution be adopted in its entirety. The Board's Finance Committee has discussed this amendment to the financial policies contained in GCRTA's Codified Rules and Regulations and recommended it to the full Board for adoption.
- 9.0 ATTACHMENT: None

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



CEO, General Manager/Secretary-Treasurer