

RESOLUTION NO. 2022-102

TO AMEND THE FISCAL YEAR 2022 REVENUES AND APPROPRIATIONS, AS ADOPTED IN RESOLUTION NOS. 2021-112, 2022-068, AND 2022-083, TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND IN THE AMOUNT OF \$500,000

WHEREAS, the Authority maintains an Insurance Fund to protect the Authority against catastrophic or extraordinary losses, and must maintain a minimum balance based on the recommendation of the Director of Risk Management; and

WHEREAS, the insurance premiums and claims settlements during FY 2022 have been higher than initially budgeted; and

WHEREAS, an increase in the appropriation of \$500,000 must be made to pay the insurance premiums and claim settlements from the Insurance Fund and maintain the recommended ending balance; and

WHEREAS, funds for this action are budgeted in the Insurance Fund; and

WHEREAS, the Board of Trustees adopted the 2022 Appropriation Budget on December 21, 2021 through Resolution No. 2021-112, and amended through Resolution Nos. 2022-068 on July 26, 2022, and 2022-083 on August 23, 2022; and

WHEREAS, it is in the best interest of the Authority to increase the appropriation in the Insurance Fund by \$500,000 for the payment of insurance premiums and claims settlements.

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

Section 1. That the 2022 Appropriation Budget is hereby amended as follows:

**INSURANCE FUND**

	<u>Current 2022 Appropriation</u>	<u>Amended 2022 Appropriation</u>	<u>Increase</u>
22 Risk Management Premium & Claims Outlay	\$2,993,000	\$3,493,000	\$500,000

Section 2. That all other provisions of Resolution Nos. 2021-112, 2022-068, and 2022-083, not otherwise amended, shall remain in full force and effect.

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

Adopted: November 15, 2022

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Secretary-Treasurer



TITLE/DESCRIPTION:  TO AMEND THE FISCAL YEAR 2022 REVENUES AND APPROPRIATIONS, AS ADOPTED IN RESOLUTION NOS. 2021-112, 2022-068, AND 2022-083 TO PROVIDE FOR AN INCREASE IN THE APPROPRIATION IN THE INSURANCE FUND IN THE AMOUNT OF \$500,000	Resolution No.: <b>2022-102</b>
	Date: November 10, 2022
	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 authorize an amendment to increase the appropriations for the Fiscal Year (FY) 2022 Budget for the expenditures under the Insurance Fund.
- 2.0 DESCRIPTION/JUSTIFICATION: The Insurance Fund provides resources to protect the Authority against catastrophic or extraordinary losses. The insurance premiums and claims settlements during FY 2022 have been higher than initially budgeted. The proposed increase of \$500,000 in the appropriation to the Insurance Fund will cover the anticipated insurance premiums and claims settlements and maintain the recommended ending balance. The 2022 Budget was approved by the Board of Trustees through Resolution No. 2021-112 on December 21, 2021, and amended through Resolution Nos. 2022-068 on July 26, 2022, and through 2022-083 on August 23, 2022.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: The proposed amendment will increase the appropriation to the Insurance Fund, as established by Resolution Nos. 2021-112, 2022-068, and 2022-083.
- 6.0 ECONOMIC IMPACT: The proposed amendment will increase the appropriation to the Insurance Fund by \$500,000, from the current appropriation of \$2,993,000, to the amended appropriation of \$3,493,000.
- 7.0 ALTERNATIVES: Modify or not approve the budget amendment as proposed. This will prevent the Authority from paying premiums and claim settlements, which could have negative legal and financial consequences.
- 8.0 RECOMMENDATION: It is recommended that the Board approve the amendment to the FY 2022 budget to increase the appropriation in the Insurance Fund by \$500,000.
- 9.0 ATTACHMENTS: None.

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

General Manager, Chief Executive Officer