

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE UTAH TRANSIT
AUTHORITY ESTABLISHING A SELF-INSURANCE / CATASTROPHIC LOSS
RESERVE FUND**

R2021-08-04

August 11, 2021

WHEREAS, the Utah Transit Authority (the "Authority") is a large public transit district organized under the laws of the State of Utah and was created to transact and exercise all of the powers provided for in the Utah Limited Purpose Local Government Entities - Local Districts Act and the Utah Public Transit District Act; and

WHEREAS, in June 2019, the Board of Trustees (the "Board") of the Authority adopted Board Policy 2.1 (the "Policy"), establishing the financial policy of the Authority; and

WHEREAS, the Policy established four reserve funds for the Authority: the General Operating Reserve, the Service Stabilization Reserve, the Bond Reserve, and the Capital Replacement Reserve; and

WHEREAS, on May 20, 2020, in Resolution R2020-05-02, the Board established a fifth reserve, the Debt Reduction reserve; and

WHEREAS, the Policy empowers the Board of the Authority to establish additional reserve funds, or make contributions to existing reserve funds; and

WHEREAS, the Board now wishes to establish a sixth reserve, the Self-Insurance/Catastrophic Loss Reserve Fund.


NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Utah Transit Authority:

1. That the Board hereby authorizes the Chief Financial Officer of the Authority to create and fund the Self-Insurance/Catastrophic Loss Reserve Fund.
2. That the purpose of the Self-Insurance/Catastrophic Loss Reserve Fund will be to satisfy obligations to the Authority's self-insured programs.
3. That funding levels for the Self-Insurance/Catastrophic Loss Reserve Fund may be adjusted and included in the annual budget approved by the Board.
4. That the funding levels recommended to the Board will be based on actuarial analysis performed by a third party and management recommendation for the catastrophic loss element of the fund.
5. That any disbursement from the Self-Insurance/Catastrophic Loss Reserve Fund including satisfaction of obligations to the Authority's self-insured programs will be restored annually through the budget process.

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6. That the Board formally ratifies actions taken by the Authority, including those taken by the Executive Director, Chief Financial Officer, other staff, and legal counsel, that are necessary or appropriate to enact this Resolution.
7. That this Resolution remain in force and effect until rescinded, amended, or superseded by further action of the Board.

Approved and adopted this 11th day of August 2021.

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Carlton Christensen, Chair
Board of Trustees

ATTEST:

DocuSigned by:

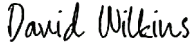
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Secretary of the Authority



(Corporate Seal)

Approved As To Form:

DocuSigned by:

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Legal Counsel