



## Legislation Text

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**File #:** 17-240, **Version:** 1

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*Report Prepared by: Ken F. Elwin, Director of Public Works*

**SUBJECT:** Appropriation of Subrogated/Damage Claim Revenue to Respective Public Works Divisions

### REPORT IN BRIEF

Public Works requests City Council approve a supplemental appropriation to Fiscal Year 2016-17 subrogated revenue resulting from infrastructure replacement cost recovery of \$109,477 to Fund 022 - Streets, Fund 558 - Trees, and Fund 557 - Water.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving a an increase to Damage Claim revenue in Fund 022- Street, Fund 558 - Trees and Fund 557 - Water and appropriating the same to the respective operating expenditure accounts; and
- B. Authorizing the Interim Finance Officer to make the necessary budget adjustment.

### ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Deny; or
- 3. Modify; or refer back to staff for further study

### AUTHORITY

Charter of the City of Merced, Section 200.

### CITY COUNCIL PRIORITIES

Not applicable.

### DISCUSSION

Public Works Divisions' approved budgets are used to ensure immediate replacement of damaged City infrastructure due to traffic accidents. The use of general maintenance funds have a negative impact on the already strained operating budgets of the Divisions. The lost or damaged infrastructure includes street light poles, street signs, traffic signals, City trees, and fire hydrants.

Subrogated revenue funds, already received by the City, are needed to reimburse the Divisions' originally approved budgets. Therefore, the increase of operating budget lines requires Council approval. Your approval of this appropriation at this time will replace depleted operating fund budgets

to the appropriate Public Works Divisions.

### **IMPACT ON CITY RESOURCES**

Replacement of the damaged infrastructure expended Public Works normal operating budget; therefore, an increase to damage claim revenue accounts in the amount of \$109,478 and appropriating the same to the respective operating expenditure accounts in order to maintain the level of services for Fiscal Year 2016-17.

Public Works Division	Amount	Damage Claim Revenue Account Line	Supplies/ Services Expense Account Line
Streets	\$ 97,730	022-1104-360.01-03	022-1104-532.25-00
Trees	\$ 2,116	558-1122-360.01-03	558-1122-532.25-00
Water	\$ 9,631	557-1106-360.01-03	557-1106-532.25-00
<b>TOTAL</b>	<b>\$ 109,477</b>		

### **ATTACHMENTS**

None.