

AGENDA ITEM NO.	1H
COUNCIL MEETING	04-14-11
APPROVED BY	
	
DEPARTMENT DIRECTOR	
CITY MANAGER 	

April 14, 2011

FROM: KENNETH P. HAMM, Director
Department of Transportation

SUBJECT: APPROVE 71st AMENDMENT TO AAR #2010-138 APPROPRIATING \$1,000,000
TO THE CITY'S RISK FUND FOR SETTLEMENT OF FAX RELATED CLAIMS

RECOMMENDATION

Staff recommends that the City Council approve the 71st Amendment to the Annual Appropriations Resolution (AAR) #2010-138, for the purpose of increasing appropriations for payment of Department of Transportation claims settlements.

EXECUTIVE SUMMARY

In FY2011, settlements were reached by Risk Management, and approved by Council, on behalf of the Department of Transportation. This payment will reimburse Risk Management in the amount of those settlements.

BACKGROUND

On October 7, 2010, Council approved settlement parameters for claims related to the Department of Transportation. Risk Management then reached settlements within those parameters.

The impact of these settlements to the Risk fund and to the Department of Transportation's finances was discussed with the City Manager's Office and the Risk Management Division. With the cash available in the Transit Operating Fund and the Risk fund facing the possibility of requiring increased General Fund contributions in FY2011, it was determined that a revenue transfer was the best option. The revenue transfer from the Transit Operating Fund to the Risk Fund will provide sufficient revenue to the Risk fund for the remainder of FY2011.

Transportation financial projections that were presented to Council during the December 16, 2011, hearing on transit fare increases included the assumption that \$1,000,000 would be transferred to the Risk Management Division in FY2011 for the payment of settlements.

FISCAL IMPACT

Without the transfer of these funds, an increased General Fund contribution to the Risk fund will be required in FY2011. These funds are available in the Transit Operating Fund.

Attachment: 71st Amendment to AAR #2010-138

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO
ADOPTING THE 71st AMENDMENT TO THE ANNUAL APPROPRIATION
RESOLUTION NO. 2010-138 TO APPROPRIATE \$1,000,000 FOR
PAYMENT OF A FAX CLAIMS SETTLEMENT

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2010-138 be and is hereby amended
as follows:

	<u>Increase/(Decrease)</u>
TO: PERSONNEL SERVICES DEPARTMENT	
Property/Liability Self-Insur	\$ 1,000,000

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Fresno Transit Operating

Revenues:

Account: 30101 Transfer From Fund Balance	\$ 1,000,000
44910 Transfer To Other Fund	<u>(1,000,000)</u>
Fund: 43502	
Org Unit: 453001	
Total Revenues	\$ <u> 0</u>

Property/Liability Self-Insur

Revenues:

Account: 43910 Transfer From Other Fund	\$ <u>1,000,000</u>
Fund: 51502	
Org Unit: 540702	
Total Revenues	<u>\$1,000,000</u>

Appropriations:

Account: 63101 Refunds & Claims	\$ <u>1,000,000</u>
Fund: 51502	
Org Unit: 540702	
CS: ER001	
Total Appropriations	<u>\$1,000,000</u>

THAT the purpose is to appropriate \$1,000,000 for payment of a FAX claims settlement.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF FRESNO } ss.
CITY OF FRESNO }

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the _____ Day of _____, 2011

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2011
Mayor Approval/No Return: _____, 2011
Mayor Veto: _____, 2011
Council Override Veto: _____, 2011

REBECCA E. KLISCH
City Clerk
