



AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of April 11, 2017
Second Reading Item for the City Council Meeting of April 18, 2017

DATE: February 9, 2017

TO: Margie C. Rose, City Manager

FROM: E. Jay Ellington, Director, Parks and Recreation Department
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Appropriation of Insurance Claim Payments for Golf Fund

CAPTION:

Ordinance authorizing the City Manager or designee to execute all documents necessary to accept and appropriate \$95,734.24 received from insurance claim payments in the No. 4691, Golf Capital Reserve Fund to be used to replace damaged Golf Cart Barn at Oso Golf Course and amending the Fiscal Year 2017 operating budget adopted by Ordinance No. 030965 by increasing revenues and expenditures by \$95,734.24 each.

PURPOSE:

This item is to approve the appropriation of insurance claim settlements received for the Oso Beach Golf Course Cart Barn fire incident.

BACKGROUND AND FINDINGS:

On Friday, September 30, 2016 the golf cart barn at Oso Beach Golf Course caught fire and was destroyed (including the entire fleet of golf carts). Foresight Golf and the Risk Management Department have been working to file claims and receive insurance settlements to re-build the cart barn and replenish the fleet of golf carts. Funds have been received from the City's six insurance carriers totaling \$95,734.24. The settlements will be appropriated in the Golf Capital Reserve Fund.

By contract Foresight Golf can coordinate improvements to the City Golf Courses. In the past, the City has approved recommended improvements to the courses and reimbursed Foresight via the Golf Surcharge Fund once improvements are complete and invoices have been submitted and verified. Replacement of the cart barn at Oso Beach Golf Course will be executed in the same manner. Foresight Golf estimates the project will cost approximately \$102,000. Risk Management will help bridge the gap between settlement payments and the cost of the project via their casualty loss account.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

Appropriating of funds must be approved by City Council

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Park & Recreation, Risk Management, Finance

FINANCIAL IMPACT:

X Operating

X Revenue

☐ Capital

☐ Not applicable

Fiscal Year: 2016-2017	Current Year	Future Years	TOTALS
Line Item Budget	\$0.00	0.00	\$0.00
Encumbered / Expended Amount	0.00	0.00	0.00
This item (additional revenue)	\$95,734.24	0.00	\$95,734.24
BALANCE	\$95,734.24	0	\$95,734.24

Fund(s): Golf Capital Reserve Fund

Comments:**RECOMMENDATION:**

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Scope of Work Memorandum