

LRB-FISCAL REVIEW SECTION ANALYSIS

JUDICIARY AND LEGISLATION COMMITTEE

ITEM 1, FILE # 020419

JULY 9, 2002

MARK A. RAMION

File # 020419 is a resolution authorizing payment of the damages judgment, fees and costs awarded and appropriate interest thereon in the lawsuit entitled Gustafson, *et al.* v. Jones, *et al.*, Case No. 94-C-1392.

Background

This resolution authorizes payment of the damages judgment fees and costs awarded and appropriate interest thereon in the lawsuit entitled Gustafson, *et al.* v. Jones, *et al.*, Case No. 94-C-1392. This payment is based upon a jury award that was upheld on appeal.

Discussion

1. This lawsuit was brought about by two Milwaukee Police Department (MPD) officers alleging that their transfers from the Tactical Enforcement Unit to patrol duties in November of 1994 were in retaliation for critical statements they made about orders received by then Deputy Inspector Arthur Jones.
2. The officers brought suit against Chief of Police Phillip Arreola and Deputy Inspector Jones at the time maintaining that the transfers received were a result of their critical speech and a violation of their First Amendment rights.
3. A jury entered a verdict in favor of the officers in September 2000 and this verdict was upheld on appeal in May 2002.
4. This payment will represent final resolution of this matter.

Fiscal Impact

1. The total amount of this resolution is \$696,286.20 from the Damages and Claims Special Purpose Account.
2. On July 1, 2002, the Damages and Claims Special Purpose Account had a balance, excluding encumbrances, of \$909,719.87. Upon approval of this resolution and File # 020421 under consideration at this meeting, this account will have a 2002 balance of \$130,233.67.

Further Information

The City Attorney reports in a June 19, 2002 letter to the Common Council that the 2002 Damages and Claims Special Purpose Account will have an approximate foreseeable shortfall of \$778,573.

On July 11, 2002, the Finance and Personnel Committee will consider File # 020405, a resolution authorizing an appropriation of \$800,000 from the Common Council Contingent Fund to the Damages and Claims Special Purpose Account.

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LRB-Fiscal Review Section
July 8, 2002

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