

Reply to Common Council File No. 141890
From DOA Budget and Management Division

April 10, 2015

Ref: 141889

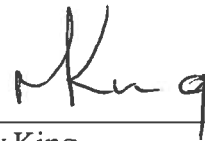
Common Council File 141890 contains a resolution that authorizes payment for a settlement for the claims raised by the plaintiff, Chaunte Ott, in the lawsuit entitled Chaunte Ott v. City of Milwaukee, et al. by using contingent borrowing up to the amount of \$6,500,000. The Budget and Management Division recommends issuance of a 10 year general city paper note to finance this settlement, in order to avoid a disproportionate impact on the tax levy and on any one set of taxpayers.

The State of Wisconsin and its agencies are generally immune from liability for claims of wrongful incarceration. State law does not, however, confer similar immunity protections upon municipalities.

The settlement amount of \$6,500,000 is 50% of the initial claim amount of \$13 million. The request to use contingent borrowing to pay the settlement results from the Common Council's adoption of File 141889, which approves this settlement. The settlement amount is far in excess of what the 2015 operating budget provides for payment of settlements. The City Attorney believed that a settlement is appropriate in this case.

The 2015 adopted city budget authorizes \$200 million for Contingent borrowing.

**RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION 141890
AUTHORIZING 2015 CONTINGENT BORROWING OF \$6,500,000 FOR PAYMENT
OF THE SETTLEMENT OF THE LAWSUIT ENTITLED CHAUNTE OTT V. CITY
OF MILWAUKEE, ET AL**



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