

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 7, FILE # 030880

OCTOBER 28, 2003

MARK A. RAMION

File # 030880 is a substitute resolution reserving a \$600,000 appropriation within the Common Council Contingent Fund for potential transfer to the City Attorney Damages and Claims Fund.

Background

1. This resolution reserves a \$600,000 appropriation within the Common Council Contingent Fund for potential transfer to the City Attorney Damages and Claims Fund.
2. The Damages and Claims Fund Account is used to cover the cost of judgments against the city for the following:
 - Liability and claims incurred in the provision of general services.
 - Miscellaneous damages and claims.
 - Vehicular-related claims.
3. The amount needed to meet claims against the city is difficult to predict. The number of claims against the city settled in a year, as well as the size of the judgment awards, affects the fund level.

Discussion

1. The City Attorney is requesting that \$600,000 be reserved in the 2003 Common Council Contingent Fund for the Damages and Claims Special Purpose Account in order to pay for various legal obligations for the remainder of 2003.
2. The 2003 Damages and Claims SPA was budgeted for \$2.4 million. This SPA has been depleted due to the recent settlement of a civil action and anticipated payment detailed in Common Council File # 030881. This civil lawsuit concluded with the judge determining that former MPD officer Lamont Hodnett, in an off-duty incident, violated Mr. Gregory Thornton's civil rights by using excessive force in shooting him. The total amount of this settlement is \$766,404.92.
3. This request for supplement to the Damages and Claims Special Purpose Account is the first in 2003. In 2002, this SPA required approximately \$1.7 million in supplemental funding from the Contingent Fund.
4. This resolution will further authorize the Comptroller to appropriate up to \$600,000 from the Contingent Fund to the Damages and Claims SPA on an as-

needed basis through 2003 for the city's legal obligations as well as payment for the settlement of the civil action referenced in File # 030881.

Fiscal Impact

1. The total amount of this resolution is \$600,000 to be reserved from the Common Council Contingent Fund.
2. The available balance of the 2003 Common Council Contingent Fund, on October 24, 2003 is \$ 2,727,856, 45% expended.

Further Information

Damages and Claims Special Purpose Account

Year	Budget (in millions)	Actual (in millions)
1999	\$1.9	\$1.19
2000	\$1.9	\$1.44
2001	\$1.5	\$2.4
2002	\$2.0	\$3.7
2003	\$2.4	\$2.9 (to date)

In 2003, the following Council Files/claims paid from the Damages and Claims SPA have exceeded \$50,000:

- *Brotherhood of Firefighters v. Fire & Police Commissions* (Employment Discrimination) - \$600,000 (2nd installment of \$1.8 million settlement)
- *Wranovsky et al. v. Dewey, Timothy* (Vehicle Accident – Bodily Injury) - \$250,000
- *Lane, Allen v. City of Milwaukee* (Employment Discrimination) - \$210,000
- *Lemery, Steven A. v. City of Milwaukee* (Employment Discrimination) - \$190,000
- *Mario Mallett Claim* (Police Excessive Force)- \$182,000

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LRB-Fiscal Review Section
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