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Reply to Common Council File No. 030880

From DOA-Budget and Management Division

October 28, 2003

Ref: 03009

Common Council File No. 030880 is a substitute resolution (sub 1) reserving \$600,000 within the 2003 Common Council Contingent Fund for potential transfer to the City Attorney Damages and Claims Fund. The Damages and Claims Fund is a special purpose account funded for the payment of judgments against the City resulting from liability claims.

This account is funded at \$2.4 million in 2003. Judgments against the City have totaled over \$2.05 million to date, resulting in a balance in the account of approximately \$344,000 (as of October 28, 2003). Outstanding 2003 judgements and liabilities include \$583,000 relating to a shooting by an off-duty Milwaukee police officer and on-going payment of smaller claims totaling approximately \$230,000 for the remainder of the year. **Payment of these outstanding claims will result in an estimated -\$469,000 shortfall in the City Attorney Damages and Claims Fund account by year-end.**

By reserving \$600,000 in the Common Council Contingent Fund, the City Attorney will be able to pay the city's 2003 remaining liabilities. If the full \$600,000 is not needed for this account, the unused funds will remain in the Contingent Fund for other purposes.

**RECOMMENDATION: IN ORDER TO ENSURE SUFFICIENT FUNDING
IN THE CITY ATTORNEY DAMAGES AND CLAIMS FUND ACCOUNT
FOR 2003 LIABILITY PAYMENTS, RESERVE \$600,000 IN THE 2003
COMMON COUNCIL CONTINGENT FUND FOR THIS PURPOSE.**


Sandra J. Rotar
Budget and Management Team Leader

SJR:sjr

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