

Reply to Common Council File No. 070713  
From DOA-Budget and Management Division

January 8, 2009

Ref: 07009

Common Council File 070713 is a resolution appropriating \$100,000 from the Common Council Contingent Fund to the Outside Counsel/Expert Witness Fund Special Purpose Account. The resolution is needed due to unanticipated expenditures for outside counsel.

The September 17<sup>th</sup> available balance in the Outside Counsel/Expert Witness Fund SPA was \$14,742. Expenditures to date in 2007 total \$195,112. These included among others:

Firm	Reason	Amount
Gunta & Reak	Jude, Hoskins, Other	\$69,478.05
Miller & Van Eaton	AT&T Franchise, State	\$67,576.80
Friebert Finerty & St. John	MPSO Lawsuits	\$11,030.90

Including 2006 expenditures, the City has spent approximately \$256,000 for outside counsel related to AT&T U-verse service, the majority from the Outside Counsel SPA. The City has recovered over \$216,000 from AT&T, which was deposited into General Fund Revenues earlier in 2007.

The Contingent Fund balance is currently \$2,472,000. Given uncertainty about future demands upon the Contingent Fund, the Budget Office recommends:

- immediately transferring \$30,000 to meet current needs
- reserving an amount “up to” \$70,000 for Outside Counsel through the remainder of 2007 and
- exploring the possibility of using an appropriation in anticipation of revenue for expenditures related to the AT&T U-verse service litigation and negotiations.

**RECOMMENDATION: APPROVE THE FILE WITH MODIFICATIONS.**

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JJL:dmr

Committee on Finance  
and Personnel

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