



Legislation Details (With Text)

File #: 150700 **Version:** 2

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On agenda: **Final action:** 10/13/2015

Effective date:

Title: Substitute resolution reserving and appropriating up to \$385,000 from the 2015 Common Council Contingent Fund to the 2015 Damages & Claims Fund Special Purpose Account.

Sponsors: THE CHAIR

Indexes: MUNICIPAL FINANCE

Attachments: 1. Proposed Substitute A, 2. Revised Contingent fund request form, 3. Budget Response, 4. Contingent fund request form, 5. Hearing Notice List

| Date | Ver. | Action By | Action | Result | Tally |
|------------|------|-------------------------------|--------------------------|--------|-------|
| 9/22/2015 | 0 | COMMON COUNCIL | ASSIGNED TO | | |
| 10/1/2015 | 0 | FINANCE & PERSONNEL COMMITTEE | HEARING NOTICES SENT | | |
| 10/1/2015 | 0 | FINANCE & PERSONNEL COMMITTEE | HEARING NOTICES SENT | | |
| 10/1/2015 | 0 | FINANCE & PERSONNEL COMMITTEE | HEARING NOTICES SENT | | |
| 10/5/2015 | 0 | FINANCE & PERSONNEL COMMITTEE | HEARING NOTICES SENT | | |
| 10/5/2015 | 0 | FINANCE & PERSONNEL COMMITTEE | HEARING NOTICES SENT | | |
| 10/5/2015 | 1 | CITY CLERK | DRAFT SUBMITTED | | |
| 10/7/2015 | 1 | FINANCE & PERSONNEL COMMITTEE | SUBSTITUTED | Pass | 5:0 |
| 10/7/2015 | 2 | FINANCE & PERSONNEL COMMITTEE | RECOMMENDED FOR ADOPTION | Pass | 5:0 |
| 10/13/2015 | 2 | COMMON COUNCIL | ADOPTED | Pass | 15:0 |
| 10/19/2015 | 2 | MAYOR | SIGNED | | |

150700
SUBSTITUTE 2
141677, 141889, 150060, 150061, 150071, 150422, 150649, 150745
THE CHAIR

Substitute resolution reserving and appropriating up to \$385,000 from the 2015 Common Council Contingent Fund to the 2015 Damages & Claims Fund Special Purpose Account.

This resolution reserves and appropriates \$385,000 from the 2015 Common Council Contingent Fund for the purpose of meeting financial obligations related to claims and litigation brought against the City.

Whereas, Exposure of the City to claims, costs and other unanticipated litigation expenditures has increased

significantly over the last 2 years as a result of settlements and payments arising from law enforcement activities associated with stop-and-search incidents and to other matters in litigation including tax assessment appeals; and

Whereas, Settlements and payment of judgments in 2015 to date, and in matters recently before the Common Council, including the Carter, Tracy, Ott and Hardy litigation (Common Council Resolution File Numbers 141677, 150061, 141889 and 150060, respectively), have required expenditures in excess of \$8.1 million from the Damages & Claims Fund Special Purpose Account (SPA); and

Whereas, The Common Council Contingent Fund Resolution in File Number 150071 authorized an appropriation of up to \$250,000 to the 2015 Damages & Claims SPA for the purpose of meeting obligations accruing prior to the end of September, 2015, which has now been expended; and

Whereas, Small claims settlement exposure continues at a high rate in 2015 with over \$423,000 paid in the first 6 months of 2015 (Common Council File Number 150422), more than \$200,000 in approved claims currently pending, and projected additional claims requiring up to \$200,000 payable before December 31, 2015; and

Whereas, Two resolution files are currently pending settlement approval by the Common Council for a total amount of \$87,500 in the Flint and Wright litigation (Common Council Resolution File Numbers 150649 and 150745, respectively); and

Whereas, The current balance of funds in the Damages & Claims Fund SPA is less than \$43,000; and

Whereas, It now appears that a minimum of \$385,000 in additional funds will be necessary to meet current and anticipated obligations in 2015 payable from the Damages & Claims Fund SPA: now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that \$385,000 shall be reserved and appropriated from the 2015 Common Council Contingent Fund (001-990-C001-006300) (2015) to the 2015 Damages & Claims Fund SPA (0001-1490-0001-S118-006300); and, be it

Further Resolved, That the City Comptroller and other appropriate City officials are directed to take all actions necessary to fulfill the intent of this resolution.

City Attorney
RLW
#220714v3
10/6/2015