

Judgment/Claims

Department Description

The Judgment/Claims Subfund provides for the payment of legal claims and suits brought against the City government. The subfund receives appropriations from the General Subfund and the utilities to pay the judgments, settlements, claims, and other eligible expenses expected in the following year. Unused balances, if any, remain in the fund and may reduce the contribution required in succeeding years.

General Fund-supported departments with 2% or more of historical Judgment/Claims costs make premium payments to the subfund directly from their budgets. Finance General covers premiums for departments with less than 2% of historical Judgment/Claims costs. Revenues from the utilities are budgeted based on expected expenses, but they only pay actual expenses as they are incurred.

Policy and Program Changes

The Judgment/Claims Subfund normally requires appropriation authority of \$15 million per year, including approximately \$11 million from the General Fund. For both the Adopted 2011 and Endorsed 2012 Budgets, the appropriation authority has been increased to reflect some outstanding suits and claims against the City that are expected to be resolved during this biennium. Fund balance and contributions from the utilities will be used to pay for these appropriation increases.

In order to help contain City costs, the City Attorney has made a decision to handle a portion of police action cases in-house. Previously, this work was handled entirely with outside counsel and paid for out of the Judgment/Claims Subfund. Police action cases involve lawsuits which allege damages as a result of actions taken by police officers. By adding staff to the Law Department to handle some of this work, Law expects to generate a net savings to the Judgment/Claims Subfund as a result of lower outside counsel costs. The transfer to Judgment/Claims from the Police Department is reduced by \$617,261 to reflect this change.

City Council Provisos

There are no Council provisos.

Judgment/Claims

	Summit	2009	2010	2011	2012
Appropriations	Code	Actual	Adopted	Adopted	Endorsed
Judgment Claims - General Budget Control Level	CJ000	22,297,999	17,500,000	26,434,739	17,829,739
Department Total		22,297,999	17,500,000	26,434,739	17,829,739
		2009	2010	2011	2012
Resources		Actual	Adopted	Adopted	Endorsed
Other		22,297,999	17,500,000	26,434,739	17,829,739
Department Total		22,297,999	17,500,000	26,434,739	17,829,739

Judgment Claims - General Budget Control Level

Purpose Statement

The purpose of the Judgment Claims - General Budget Control Level is to provide for the payment of legal claims and suits brought against the City government. The subfund receives appropriations from the General Subfund and the utilities to pay for the judgments, settlements, claims, and other eligible expenses expected in the following year. Unused balances, if any, may reduce the contributions required in succeeding years.

General Fund-supported departments with 2% or more of historical Judgment/Claims costs make premium payments to the subfund directly from their budgets. Finance General covers premiums for departments with less than 2% of historical Judgment/Claims costs. Utilities pay their actual expenses as incurred through this budget control level.

Summary

The 2011 Adopted and 2012 Endorsed Budgets for the Judgment/Claims Subfund are based on expected expenses relating to current caseloads in the Law department and in the Finance and Administrative Services Department.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Adopted	Endorsed
Judgment/Claims - General Program	22,297,999	17,500,000	26,434,739	17,829,739

Judgment/Claims

2011 - 2012 Estimated Revenues for the Judgment/Claims Subfund

Summit Code	Source	2009 Actuals	2010 Adopted	2010 Revised	2011 Adopted	2012 Endorsed
469990	Miscellaneous Revenue	142,411	0	0	0	0
544730	Payments from City-operated Utilities	8,566,910	4,000,000	7,692,380	8,055,000	7,000,000
544730	Payments from General Government Departments	9,681,357	9,681,357	9,681,357	9,161,677	9,161,677
587001	General Fund Support	1,318,643	1,318,643	1,318,643	1,191,062	1,191,062
Total Revenues		19,709,321	15,000,000	18,692,380	18,407,739	17,352,739
379100	Use of (Contribution To) Fund Balance	2,588,678	2,500,000	923,522	8,027,000	477,000
Total Resources		22,297,999	17,500,000	19,615,902	26,434,739	17,829,739

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Judgment/Claims Subfund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Adopted	2012 Endorsed
Beginning Fund Balance	13,988,549	5,062,335	11,399,871	10,476,349	2,449,349
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenue	19,709,321	15,000,000	18,692,380	18,407,739	17,352,739
Less: Actual and Budgeted Expenditures	22,297,999	17,500,000	19,615,902	26,434,739	17,829,739
Ending Fund Balance	11,399,871	2,562,335	10,476,349	2,449,349	1,972,349