

BUDGET AND FINANCE COMMITTEE REPORT and RESOLUTION relative to certain judgment or settlement obligations, and payment authorization for the case entitled Reggie D. Cole v. City of Los Angeles, et al.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the accompanying RESOLUTION declaring the intention to reimburse and/or refund the City's Reserve Fund expenditures or other City fund expenditures to be incurred in connection with certain judgment or settlement obligations.
2. TRANSFER \$5.2 million, regarding the case entitled Reggie D. Cole v. City of Los Angeles, et al., from the Reserve Fund to the Unappropriated Balance Fund No. 100/58, and appropriate therefrom to the Liability Claims Account Fund No. 100/59, Account No. 009792 Police Liability Payouts, to be reimbursed by proceeds from a future Judgment Obligation Bond.
3. AUTHORIZE the City Attorney to process payment in the amount of \$5.2 million via check to the Law Offices of Dale K. Galipo Trust Account for settlement of the case from Fund No. 100/59, Account No. 009792.
4. FIND that the settlement reached is in the best interest of the City.
5. FIND that the City intends to make an inter-fund borrowing or advance from the Reserve Fund on an interim basis to pay the settlement reached, which loan or advance will be refunded or reimbursed with proceeds of a Judgment Obligation Bond.
6. AUTHORIZE the City Attorney, or designee, to prepare Controller instructions for any necessary technical adjustments subject to the approval of the City Administrative Officer (CAO); and, AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports that approval of the recommendations will reduce the Reserve Fund by \$5.2 million. However, depending on future financing options approved, there is potential that the Reserve Fund can be restored at a later date upon reimbursement of these funds.

Debt Impact Statement: The CAO reports that approval of this recommendation will have no impact to the City's debt service payments, as this recommendation does not authorize the issuance of any bonds.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on January 23, 2017, the Budget and Finance Committee considered a CAO report and Resolution dated January 20, 2017 relative to the issuance of a Judgment Obligation Bond for certain judgment and settlement obligations, and payment authorization in the case entitled Reggie D. Cole v. City of Los Angeles, et al.

After consideration, and after providing an opportunity for public comment, the Committee approved the recommendations in the CAO report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	NO
MARTINEZ:	YES
BLUMENFIELD:	YES
BONIN:	YES

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1/25/17
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