

BUDGET AND FINANCE COMMITTEE REPORT relative to a request to adjust transfer of funds and payment instructions for four cases previously approved by the City Council.

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

1. Relative to Council file No. 20-0555, adopted on June 9, 2020, concerning Tyler Shear, et al. v. City of Los Angeles, et al., Los Angeles Superior Court Case No. BC702166:

- a. RESCIND the following Council instruction:

5. INSTRUCT the City Clerk to place on the agenda for the first regular Council meeting on July 1, 2022, or shortly thereafter, the following instruction:

AUTHORIZE the Controller to transfer \$4,000,000 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009797, Transportation Liability Payouts.

- b. REPLACE with the following Council instruction:

5. AUTHORIZE the Controller to transfer \$4,000,000 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009797, Transportation Liability Payouts, in Fiscal Year 2021-22.

- c. AMEND the following instruction as indicated:

3. AUTHORIZE the City Attorney to draw demands from Fund No. 100/59, Account No. 009797, Transportation Liability Payouts, as follows:

- c. \$4,000,000 due on or before July 2022, made payable as follows:
 - i. \$2,806,666.66 to Paoli & Purdy, PC Client Trust Account, Tyler Shear, Alexandria Shear, and Tanner Shear.
 - ii. \$893,333.34 to BHG Structured Settlements, Inc., for the benefit of Tanner Shear.
 - iii. \$300,000 to Structured Assignments, SCC, for the benefit of Courtney Purdy and William Paoli.

2. Relative to Council file No. 21-0091 adopted on July 9, 2021, concerning Jane MBQ Doe v. City of Los Angeles, Los Angeles Superior Court Case No. BC704465:

- a. RESCIND the following Council instruction:

5. INSTRUCT the City Clerk to place on the agenda for the first regular Council meeting on July 1, 2022, or shortly thereafter, the following instruction:

AUTHORIZE the Controller to transfer \$497,500 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability

Payouts, to Fund No. 100/59, Account No. 009792, Police Liability Payouts.

b. REPLACE with the following Council instruction:

5. AUTHORIZE the Controller to transfer \$497,500 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009792, Police Liability Payouts, in Fiscal Year 2021-22.

3. Relative to Council file No. 21-1092 adopted on January 19, 2022, concerning Andrew Wilson v. City of Los Angeles, et al., United States District Court Case No. CV18-05775-KS:

a. RESCIND the following amended Council instruction:

2b. INSTRUCT the City Clerk to place on the agenda for the first regular Council meeting on July 1, 2022, or shortly thereafter, the following instruction:

AUTHORIZE the Controller's Office to transfer \$5,000,000 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009792, Police Liability Payouts.

b. REPLACE with the following Council instruction:

2b. AUTHORIZE the Controller's Office to transfer \$5,000,000 from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009792, Police Liability Payouts, in Fiscal Year 2021-22.

4. Relative to Council file No. 20-0263, adopted on May 11, 2022, concerning L.A. Alliance for Human Rights, et al. v. City of Los Angeles, United States District Court Case No. 2:20-CV-02291. On May 11, 2022, this honorable body authorized the payment of \$1,800,000 in attorney's fees to settle the case. On June 9, 2022, consistent with the settlement, the United States District Court formally approved the settlement agreement and dismissal, requiring that the City pay attorney's fees in the amount of \$1,800,000 to the Plaintiffs' Counsel.

This office now seeks City Council approval of the specific payment instructions, as indicated:

a. AUTHORIZE the City Attorney to draw a demand from the Liability Claims Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, as follows: Spertus, Landes & Umhofer, LLP Client Trust Account in the amount of \$1,800,000.

5. It is also requested that the City Attorney, or designee, be authorized to make necessary technical adjustments, subject to the approval of the City Administrative Officer, and that the Controller be authorized to implement the instructions.

Fiscal Impact Statement: The City Attorney reports that there is no financial General Fund impact resulting from this timing adjustment, as sufficient funding is available in the 2021-22 budget to process these transfers.

Community Impact Statement: None submitted

SUMMARY

At its special meeting held on June 27, 2022, the Budget and Finance Committee considered a City Attorney report relative to a request to adjust transfer of funds and payment instructions for four cases previously approved by the City Council.

After an opportunity for public comment was held, the Committee moved to approve the City Attorney recommendations, as detailed above. 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
BLUMENFIELD	YES
DE LEON	YES
RODRIGUEZ	ABSENT
PRICE	YES

AS 6/27/22
COUNCIL FILE NO. 22-0732

-NOT OFFICIAL UNTIL COUNCIL ACTS-