

**CITY OF SAN LEANDRO
MEMORANDUM**

DATE: December 2, 2011

TO: Finance Committee

FROM: Lianne Marshall, Interim City Manager

BY: Jayne Williams, City Attorney
Jim O'Leary, Interim Finance Director

SUBJECT: Discussion Regarding Legal Fees and Self Insurance Fund Settlements/Judgments
Budgets and Expenditures

RECOMMENDATION

Staff recommends that the Finance Committee review and accept the attached worksheet reports on legal fees, Claim Settlement/Judgments budgets and expenditures, and the Liability Insurance self-insured retention.

OVERVIEW

Worksheets have been included to further the Committee's understanding of legal fees and Claim Settlement/Judgments budget and expenditure. In addition, an AON report on an analysis of the self-insured retention is attached. The following schedules are included and attached to the report:

- 2011-12 Budget, Legal and Claim Settlements/Judgments – *Attachment 1*
- Legal Fee Budget and Expenditures, 2008-09 Through 2010-11 – *Attachment 2*
- Self Insurance Claim Settlements/Judgments Budget and Expenditures, 2008-09 through 2010-11 – *Attachment 3*
- Summary of Liability Claims by Type, 2003-04 through 2010-11 and AON Report on \$1 Million Liability Self-Insured Retention Analysis – *Attachments 4 and 5*

CONCLUSION

Staff recommends that the Finance Committee review and accept the attached worksheet reports on legal fees, Claim Settlement/Judgments budgets and expenditures, and the Liability Insurance self-insured retention.

City of San Leandro

2011-12 Budget, Legal and Claim Settlements/Judgments

December 2, 2011

Account No.	Proposed Budget	City Council Adopted Budget, As Amended
5110 Legal		
010-11-040 – City Attorney	304,500	420,100 General Fund appropriations in Human Resources, PD Admin and, Red Light budgets re-allocated to City Attorney budget. Retainer adjusted by \$40,600 to correct contractual amount.
010-12-060 – Human Resources	10,000	0
010-21-001 – PD Administration	60,000	0
010-21-021 – Red Light Safety Program	5,000	0
165-43-001 – CDBG Administration	2,000	2,000
593-52-113 – WPCP Renewal & Replacement		3,000
597-57-001 – Marina Operations	500	500
598-58-006 – Stormwater Compliance	5,000	5,000
689-19-004 – Self Insurance-Liability/Fire Insurance	0	50,000 Miscellaneous (OBEP) appropriation re-allocated in the amount of \$50,000
961-83-001 – Plaza Administration	5,000	5,000
962-86-001 – Joint Project Administration	5,000	5,000
962-86-052 – Bayfair Mall Revitalization	100,000	100,000
964-82-001 – West San Leandro Administration	10,000	10,000
965-85-002 – Housing Set-Aside Administration	15,000	15,000
965-85-006 – RDA New Construction	0	13,500
5730 Settlement/Judgment		
689-19-002 – Workers' Compensation	542,400	542,000
698-19-004 – Self Insurance-Liability/Fire Insurance	471,600	671,600 Miscellaneous (OBEP) appropriation re-allocated in the amount of \$200,000
689-19-003 – Unemployment	118,700	118,700

Legal Fee Budgets and Expenditures

	2008-09 Budget	2008-09 Expenditures	2009-10 Budget	2009-10 Expenditures	2010-11 Budget	2010-11 Expenditures	Billable Received
Legal Fees - xxx-xx-5110							
010-11-040	330,360	336,881	293,556	340,135	304,548	353,607	-
010-12-050	-	-	10,000	11,555	-	3,205	-
010-12-062	140,465	107,523	70,617	77,848	10,000	41,599	-
010-21-001	60,000	91,270	60,000	81,544	77,000	86,633	-
010-41-001	-	153,018	-	116,740	-	410,414	(348,739) ¹
144-38-272	-	33,747	-	4,536	-	-	-
210-18-116	-	551	-	2,993	-	-	-
593-51-002	-	-	-	3,013	-	1,092	-
593-51-227	-	60,546	-	138,300	-	236,692	-
593-52-999	-	(34,074)	-	(153,494)	-	-	-
594-41-207	-	-	1,029	1,029	-	-	-
597-57-001	10,375	7,218	500	110	500	378	-
598-58-006	-	-	5,500	4,900	5,000	1,255	-
689-19-004	-	-	-	567	4,000	10,749	-
961-83-001	42,856	16,690	24,419	3,444	5,000	966	-
962-86-001	47,790	51,684	25,000	7,761	50,000	38,481	-
962-86-052	10,000	40,275	25,000	55,969	-	-	-
964-82-001	25,000	20,995	25,000	19,695	15,000	19,854	-
965-85-002	20,000	39,891	15,000	571	35,000	18,475	-
689-19-004	-	-	-	-	-	-	-
689-19-004	-	262,600	-	603,500	-	450,000	-
689-19-004	-	24,573	-	34,507	-	31,555	-
Total Legal and Claim Settlements/Judgements	686,846	1,213,389	555,621	1,355,223	506,048	1,704,954	(348,739)

1. Kaiser Hospital development
 2. Outside counsel, not City Attorney

**City of San Leandro
Self Insurance Claim Settlements/Judgements**

	2008-09 Budget	2008-09 Expenditures	2009-10 Budget	2009-10 Expenditures	2010-11 Budget	2010-11 Expenditures	2011-12 Adjusted Budget	2011-12 Expenditures to date
689-19-002 Worker's Compensation Settlements/Judgements	1,175,000	442,007	700,000	547,837	542,400	670,880	542,390	128,407
689-19-003 Unemployment Settlements/Judgements	60,000	85,595	140,000	127,062	118,700	100,575	118,700	33,965
689-19-004 General Liability and Fire Settlements/Judgements	1,200,000	417,401	400,000	1,593,362	471,600	1,229,642	671,600	202,543
	2,435,000	945,003	1,240,000	2,268,261	1,132,700	2,001,097	1,332,690	364,915

Self Insurance Fund - xxx-xx-5730

689-19-002 Worker's Compensation
Settlements/Judgements
689-19-003 Unemployment
Settlements/Judgements
689-19-004 General Liability and Fire
Settlements/Judgements

**City of San Leandro
Summary of Liability Claims by Type**

<u>Claim Type</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Trip and Fall	17	9	13	15	18	10	10	7
Sewer and Water	10	12	7	10	14	8	6	6
Trees	7	11	6	11	9	9	8	7
Employee Accidents	4	6	8	7	3	7	5	10
Police	18	27	23	31	45	34	27	35
Streets	15	12	8	7	10	4	4	13
Parks and Pools	4	1	7	3	1	2	3	1
Other*	9	16	6	13	8	4	2	4
Total Claims	84	94	78	97	108	78	65	83
Subrogation Claims	0	2	1	41	24	28	20	14

* Other includes claims related to: parking garage and operations, labor practices, and contract issues.