

Judgment and Claims Subfund Overview – October 6th, 2010

The Judgment and Claims Subfund is used to pay judgments, settlements, claims, and related expenses for which the City is deemed responsible. The revenues for the fund come from three primary sources: reimbursements from City Light and SPU for their costs, insurance settlements relating to J/C expenses, and allocations charged to general government departments. Whereas the utilities reimburse the J/C Subfund for costs relating to their cases, the General Fund's portion comes from an \$11 million annual premium applied to City departments. The amount that City departments contribute each year to the judgment and claims subfund is based on a five-year average of each department's judgments and claim costs (excluding the utilities) relative to other departments. For example, if SDOT is responsible for 10% of claim costs in the last five years, SDOT will be expected to contribute \$1.1m. Departments that average less than 2% of the total costs do not have to contribute; those payments are made by Finance General. Below is a table showing how the \$11 million premium has been allocated for the last three biennia and the associated 5 years of expenses for each allocation period.

Judgment Claims Subfund	2007-2008 Allocation		2009-2010 Allocation		2011-2012 Allocation	
	2001-2005		2003-2007		2005-2009	
Expense Period						
FFD	\$0	0%	\$2,037,324	4%	\$2,186,195	3%
Parks	\$4,037,555	10%	\$7,006,136	15%	\$6,905,496	10%
Center	\$0	0%	\$2,594,604	6%	\$5,626,299	8%
SDOT	\$9,063,075	23%	\$12,600,750	27%	\$21,184,815	32%
Fire	\$1,008,117	3%	\$2,263,345	5%	\$4,400,509	7%
Police	\$18,408,037	46%	\$13,869,249	30%	\$18,939,008	29%
Library	\$1,306,099	3%	\$945,357	2%	\$0	0%
HSD	\$976,446	2%	\$0	0%	\$0	0%
FG	\$4,986,920	13%	\$5,627,525	12%	\$7,193,568	11%
Total	\$39,786,249	100%	\$46,944,290	100%	\$66,435,888	100%

Expenditures of the Judgment/Claims Subfund 2005-2009

Judgment Claims Subfund	2005	2006	2007	2008	2009
General Government	\$5,836,884	\$20,857,250	\$7,518,425	\$17,849,397	\$14,373,932
Utilities	\$4,941,507	\$6,894,010	\$7,845,538	\$8,166,813	\$7,924,066
Total	\$10,778,391	\$27,751,259	\$15,363,963	\$26,016,211	\$22,297,998