



# City of New Haven

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## Legislation Text

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**File #:** OR-2023-0028, **Version:** 1

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ORDINANCE AMENDMENT TO APPROPRIATING ORDINANCE # 1 AUTHORIZING FISCAL YEAR 2022-2023 BUDGET TRANSFER #131-23-1, TRANSFERRING FUNDS FROM THE CITY GENERAL FUND TO THE LITIGATION SETTLEMENT ACCOUNT IN AN AMOUNT NOT TO EXCEED \$16,000,000, WITH THE FINAL AMOUNT TO BE DETERMINED THROUGH THE FISCAL YEAR 2022-2023 GENERAL FUND CLOSING PROCESS, FOR THE SETTLEMENT OF THE RICHARD COX CASE.

WHEREAS: Article VIII, Section 3 of the City Charter, and Section 2-383 (1) of the Code of General Ordinances requires the approval of the Board of Alders for the transfer of funds within the General Fund Operating Budget, as adopted; and

WHEREAS: The City of New Haven was sued by Richard ("Randy") Cox, 37, for damages arising from injuries he sustained while he was being transported in a New Haven Police Department transport van on June 19, 2022; and

WHEREAS: The City of New Haven and the attorneys representing Mr. Cox reached a \$45 million settlement on Friday, June 09, 2023, following a day-long mediation with the assistance of a federal magistrate judge; and

WHEREAS: The City insurance policies will cover up to \$30,000,000 of the settlement and under the terms of such insurance policies, the City is liable to pay the first million dollars (\$1,000,000) in self-insured retention (SIR), less costs of defense, before the insurance companies are obligated to pay; and

WHEREAS The City portion of the settlement is estimated at between \$15,000,000 and \$16,000,000, inclusive of the SIR deductible; and

WHEREAS: The City of New Haven will utilize two options to allocate the City's portion: (a) a transfer from the City's general fund operating surplus and/or (b) bond proceeds as authorized by the Board of Alders and the Bond Sale Committee; and

WHEREAS: The City of New Haven, after allocating bond proceeds to the City's portion of the settlement amount, will allocate (transfer) the remaining portion of the settlement amount from general fund operating surplus to the Litigation Settlement Account with the exact amount to be determined through the fiscal year 2022-2023 closing process.

NOW, THEREFORE, BE IT ORDAINED by the New Haven Board of Alders that.

Section 1. Transfer #131-23-1 be approved to transfer funds from the City General Fund Account (s) to the litigation settlement fund in an amount to be determined through the fiscal year closing process.

Section 2. In any event, said transfer is not to exceed \$16,000,000.