# FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator	2.	. Telephone Number		3. Bureau/Office/Department
John Buehler	-	503-823-5256		OMF/Risk Management
4a. To be filed (date)	4b. Calendar (Check One)		5. Date Submitted to FPD Budget Analyst	
7 22	Regular C	Consent 4/5ths		January 5, 2011
January 12, 2011		× □		

- 1) Legislation Title: \*Pay Claim of Edessa Argo.
- **2) Purpose of the Proposed Legislation**: This ordinance will close OMF Risk Management File No. F2009-5017-01 for a total of \$44,043.26.

#### 3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

This legislation will have no impact on City revenue.

## 4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

Cost to the City is \$44,043.26. The source of funding is the City's Insurance and Claims Fund. \$4,043.26 was paid in FY 2009-10, and the balance of \$40,000 will be paid in the current fiscal year.

## **Staffing Requirements:**

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

6) Will positions be created or eliminated in *future years* as a result of this legislation?

No.

Complete the following section only if an amendment to the budget is proposed.

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	<b>Commitment Item</b>	Functional Area	Funded Program	Grant	Amount
Jeff Ba	er, Director, BIB	s A	Jun .			
Kate W	ood, Risk Manag	ger Lacht	een MW oa	1		



# **CITY OF PORTLAND, OREGON**

## Office of Management and Finance Risk Management Services

Sam Adams, Mayor
Kate Wood, Risk Manager
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Phone: 503-823-5101 • Fax: 503-823-6120
www.portlandonline.com

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January 3, 2011

TO:

Mayor Sam Adams

FROM:

John Buehler

503-823-5256

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FOR MAYOR	'S OFFICE	<b>USE ONLY</b>
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Reviewed by Bureau Liaison \_\_\_\_

RE:	*Pay	Claim of	Edessa	Argo	(emergency)
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- 1. INTENDED THURSDAY FILING DATE: January 12, 2011
- 2. REQUESTED COUNCIL AGENDA DATE: January 19, 2011
- 3. CONTACT NAME & NUMBER: John Buehler, 503-823-5256
- 4. PLACE ON: 

  ✓ CONSENT \_ REGULAR
- 5. BUDGET IMPACT STATEMENT ATTACHED: ✓ Y N/A
- 6. (3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY

ATTORNEY ATTACHED:

\_\_Yes \_\_ No ✓ N/A

### 7. BACKGROUND/ANALYSIS

This Ordinance settles a fleet bodily injury lawsuit. The automobile collision occurred on August 14, 2008. A Portland Police Officer driving a bureau vehicle performed a "PIT" maneuver on a third party's vehicle, and then unintentionally collided with the Argo vehicle. Mr. Argo was essentially an innocent bystander. The Argo vehicle was heavily damaged, and Mr. Argo suffered bodily injury.

Attorney Keith Tichenor filed a lawsuit on behalf of Mr. Argo, naming both the City of Portland and Mr. Argo's uninsured motorist insurer as defendants. The City was defended by attorney Scott Moede of the City Attorney's Office. After a substantial amount of pretrial discovery, a mediation involving all parties was held with retired Circuit Court Judge Donald Kalberer. Agreement was reached at the mediation amongst all parties, with the City's contribution subject to City Council approval. The settlement calls for the City to contribute \$40,000 of "new money" to the settlement package. Risk Management previously advanced \$4,043.26 to Mr. Argo, so the total settlement cost to the City is \$44,043.26.

## 8. FINANCIAL IMPACT

Approval of the settlement will result in payments totaling \$44,043.26 from the liability fund.

## 9. RECOMMENDATION/ACTION REQUESTED

Approve settlement of Edessa Argo bodily injury lawsuit in the sum of \$44,043.26.