

# BUDGET & FINANCE

## MOTION

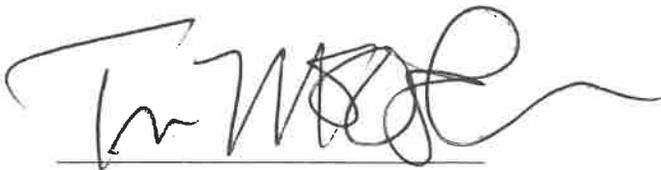
Pursuant to the Los Angeles Administrative Code (LACC) Sec. 5.175, the City Council has the authority to approve or reject settlements or compromises of any monetary claims by the City against any person, firm, or corporation where the claim is to be reduced by an amount exceeding \$50,000 and legal actions initiated by the City against any person, firm or corporation where the underlying claim or action is to be reduced by an amount exceeding \$100,000, all subject to veto of the Mayor and Council override of the Mayor's veto by a two-thirds vote of the Council.

The Claims Board is tasked with providing recommendations to the Council concerning the settlement of such monetary claims or legal actions initiated by the City. The Council has the authority to approve or reject settlements of claims or legal actions initiated by the City against any person, firm, or corporation which do not involve only the receipt of money, subject to the veto of the Mayor and Council override of the Mayor's veto by a two-thirds vote of the Council.

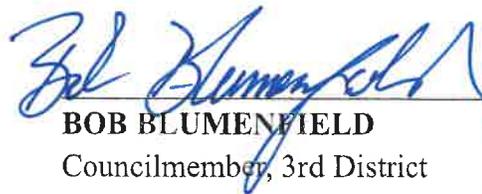
Understanding how other municipalities manage settlements, whether through resolving or challenging them, and how they structure settlement payments can provide better clarity to the Council's role in this process. Furthermore, with the annual budget process, it is important to analyze the City's settlement process and how it impacts the City's budget as a whole.

**I THEREFORE MOVE** that the City Council instruct the City Attorney, with assistance from the Chief Legislative Analyst, to report in 45 days on the practices of other municipalities' settlement policies and structures. The report should be specific to approaches that these municipalities have taken to ensure compliance with existing fiscal policies.

### PRESENTED BY:



**TIM McOSKER**  
Councilmember, 15th District



**BOB BLUMENFIELD**  
Councilmember, 3rd District

### SECONDED BY:



ORIGINAL

JAN 09 2024

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