



**Fiscal 2007 Proposed Budget
Briefing
*Office of General Counsel***

**Budget Committee
January 26, 2006**

***COUN's mission is to provide high quality,
cost-effective legal services to WMATA.***



Carol B. O'Keeffe
General Counsel



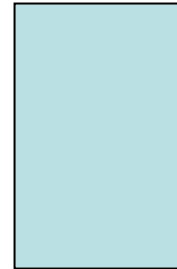
Mark F. Sullivan
Deputy General Counsel



Terry L. Smith
Manager,
TPL



Susan M. Serrian
Office Manager



Vacant
Principal Deputy
General Counsel

73 Budgeted Positions



FY2007 Proposed Budget – Office of General Counsel

Operating Expense:

\$ Millions

| | FY2006 | FY2007 | Change | |
|--------------|---------------|---------------|--------------|------------|
| Labor | \$4.1 | \$4.2 | \$0.1 | |
| Fringes | 1.3 | 1.4 | 0.1 | |
| Services | 1.6 | 1.4 | (0.2) | |
| Materials | 0.2 | 0.2 | 0.0 | |
| Other | 3.1 | 5.2 | 2.1 | |
| Total | \$10.2 | \$12.4 | \$2.1 | 21% |

| | FY2006 | FY2007 | Change |
|-----------------|--------|--------|--------|
| Capital Expense | \$0.8 | \$1.2 | \$0.4 |

| | | |
|--------------------|----|---|
| Budgeted Positions | 73 | 0 |
|--------------------|----|---|

Change Detail No change from FY2006 budget.

- Cost changes are primarily for inflation on FY2006 budget

- Increase in “Other” category covers cost for accident claims

\$2.1 million is for the planned increase to ramp up reserve fund contributions following a 2 year funding holiday

- No increase in personnel



The General Law Section of the Office of General Counsel provides the day-to-day legal advice and counsel for all officers and departments of the Authority in all subject matter areas, except labor relations. Each year the attorneys in the General Law Section, respond to hundreds of formal and informal requests for legal assistance (200 requests through 12/05) on a wide variety of topics, including:

- Tax and pension
- Disability rights
- Employment matters
- First Amendment concerns
- Procurement
- Construction litigation
- Environmental matters
- Utilities
- Board Resolutions
- Public Access to Records and Privacy Policy
- Major real estate agreements
- Joint development agreements
- Financial agreements
- Inter-jurisdictional agreements

(continued)



The General Law Section also (through 12/05):

- **Responded to 105 Public Access to Records requests from the public**
- **Trained 112 WMATA employees on the new Public Access to Records and Privacy policies**
- **Issued 54 opinion/advice memos**
- **Drafted and negotiated or, assisted in negotiating, 49 joint development and other inter-jurisdictional agreements**
- **Defended litigation including, 1 pension suit, 1 EEO Administrative hearing, 4 condemnation actions, and 2 actions arising out of the joint development program**



The Civil Litigation Section of the Office of General Counsel represents the Authority in litigation of claims of personal injury, wrongful death, employment discrimination, civil rights violations, police misconduct, and workers' compensation. The Civil Litigation Section also prosecutes WMATA's subrogation claims against third parties who have damaged Authority employees or assets. The Civil Litigation Section:

- **Litigates, including appeals, approximately 210 new cases annually**
- **Carries an average caseload of 350 civil action cases in the courts, and an average of 275 workers' compensation claims in the administrative tribunals**
- **Advises WMATA's third party administrator on legal issues affecting management of workers compensation claims**
- **Coordinates with Third Party Liability to proactively investigate and evaluate accidents involving significant injury**
- **In conjunction with Operations and Bus Maintenance, provides training to supervisors regarding investigation and reporting of employee injuries and bus accidents**
- **In conjunction with Government Relations, provides legal assistance for proposed statutory changes favorable to WMATA**



The Third Party Liability Section of the Office of General Counsel investigates and resolves personal injury and property damage claims made against the Authority by third parties and recovers amounts owed the Authority for damages caused by others. The Third Party Liability Section’s responsibilities include:

- **Review and processing of 5,000 new claims per year**
- **Daily investigation and resolution of 2,500 active claims, including prompt processing of settlements**
- **Coordination of investigative activities with Civil Litigation Section attorneys in order to evaluate and defend claims, including use of a variety of professional services (i.e., appraisers and independent medical examinations)**
- **Collection of \$379,000 in subrogation recoveries through December 31, 2005 (\$485,000 collected in FY2005)**
- **In conjunction with ODEV, conduct training sessions for bus and rail employees regarding accident investigations and preservation of evidence**



Performance Goals

- **Goal** - Continue to support completion of joint development and other revenue producing transaction documents within the Board established time frames
Budget Link – Timely receipt of joint development and other revenues
- **Goal** – Maintain claims and litigation payouts in a total amount equal to or less than 1% of WMATA operating budget
Budget Link – Controls amount of operating budget contributions to reserve
- **Goal** – Increase subrogation recoveries (\$550,000 in FY2006) by 10% (\$605,000 in FY2007)
Budget Link – Produces miscellaneous revenue
- **Goal** – Reduce median response time for routine Public Access to Records requests from 17 days to 15 days
Goal – Reduce average response time (27 days) for complex Public Access to Records requests by 10%
Budget Link – These goals are customer service oriented rather than budget driven



Major Assets

The Office of General Counsel operates a law library which consists of approximately 9,600 volumes of legal research materials, including supplements and periodicals. In FY2005 and continuing in FY2006, the Office of General Counsel is eliminating duplicative print materials and relying more heavily on online sources. These efforts are expected to result in cost savings for the Authority. Additionally, in FY2006 the Office of General Counsel was able to negotiate a favorable contract with its online legal research provider resulting in monthly access fees which are lower today than they were in FY2001.