

## **LRB – RESEARCH AND ANALYSIS SECTION ANALYSIS**

**OCTOBER 7, 2009 AGENDA**

**ITEM 3, FILE 090686**

**FINANCE & PERSONNEL COMMITTEE**

**JAMES CARROLL**

File #090686 is a resolution authorizing the sale and issuance of up to \$3.0 million dollars of contingent borrowing to fund the settlement of the lawsuit entitled Harris v Clark et al.

### **Background**

1. Item #2 on the agenda is a resolution (File #090685) authorizing settlement of the lawsuit entitled Harris v Clark et al , for the total amount of \$3.0 million.
2. The 2009 Damages and Claims SPA does not have sufficient funds available to the pay the Harris settlement amount.
3. The 2009 Budget of the City of Milwaukee authorizes \$130,000,000 Contingent Borrowing. The Common Council has approved 2009 Contingent Borrowing authorizations for the following:
  - \$4 million for excess 2008 expenditures (File #081610)
  - \$3.68 million for delinquent taxes (File #081374)
  - \$7 million for TID #74-Tower (File #090686)

### **Discussion**

This resolution authorizes up to \$3.0 million dollars of contingent borrowing to fund the settlement of the lawsuit Harris v Clark et al.

### **Fiscal Impact**

This resolution authorizes up to \$3.0 million dollars of contingent borrowing to fund the settlement of the lawsuit entitled Harris v Clark et al. The exact costs of the borrowing will be determined at the time the debt is issued. According to the Comptroller's Office the debt issuance will be structured as to minimize its impact on 2010 debt service costs.

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