City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: B 14-15

Department Source: Law

To: City Council

From: City Manager & Staff Council Meeting Date: 1/5/2015

Re: Appropriating Funds For Litigation Expenses Relating to the CenturyLink Class Action

Settlement Dispute

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance

Supporting documentation includes: None

Executive Summary

Litigation expenses associated with various lawsuits, including the telecommunications tax lawsuits related to Centurytel of Missouri, LLC, d/b/a Centurylink, have exceeded funds budgeted in the Law Department utilized for litigation purposes.

Discussion

Since January of 2013, CenturyLink has filed lawsuits every quarter to protect the company's under-protest payments relating to taxes levied by the City of Columbia for telephone services. In November, the City Council rejected CenturyLink's class action settlement offer and authorized the filing of a separate lawsuit against CenturyLink. Expenses paid to date associated with the CenturyLink lawsuit have exhausted budgeted funds in the Law Department used for litigation purposes. Finance Director John Blattel has advised that an appropriation of \$100,000 from the General Fund fund balance should be made to the Law Department to cover anticipated expenses associated with litigation.

Fiscal Impact

Short-Term Impact: In FY 2015, \$47,008.37 has been expended in litigation expenses relating to the CenturyLink lawsuits.

Long-Term Impact: Unknown.

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Vision, Strategic & Comprehensive Plan Impact				
Vision Impact: Not Applicable				
Strategic Plan Impact: Not Applicable				
Comprehensive Plan Impact: Not Applica	ble			
Sugg	gested Council Action			
Passage of the ordinance authorizing the	appropriation of funds.			
L	egislative History			
None.				
Department Approved	City Manager Approved			

	Introduced by		
First Reading		Second Reading	g
Ordinance No		Council Bill No.	<u>B 14-15</u>
	AN O	RDINANCE	
expe	opriating funds to the nses; and fixing the me effective.	•	•
BE IT ORDA AS FOLLOWS:	VINED BY THE COUN	ICIL OF THE CITY OF	COLUMBIA, MISSOURI,
Fund, Fund Balance		000-341.01-00 to the N	opriated from the General Miscellaneous Contractual ses.
SECTION 2 passage.	. This ordinance shal	I be in full force and	effect from and after its
PASSED this	s day of	,	, 2015.
ATTEST:			
City Clerk		Mayor and Presi	ding Officer
APPROVED AS TO	FORM:		
City Counselor			
CERTIFICATION:			in the General Fund, Fund over the above appropriation.
		 Director of Finan	