



Broward County

Legislation Text

File #: 20-280, Version: 1

Broward County Commission Regular Meeting

Director's Name: Andrew J. Meyers

Department: County Attorney

Information

Requested Action

MOTION TO RATIFY submission of Proof of Claim Form by the County Administrator and to authorize the County Administrator and the Chief Financial Officer to execute any document or take any administrative action necessary to preserve the County's claims under Case No. 1:19-cv-01704 (JSR), a class action lawsuit filed in the United States District Court for the Southern District of New York, subject to the review and approval as to legal sufficiency by the Office of the County Attorney, and provided that an item be placed on the next available Board agenda to ratify any such action.

Why Action is Necessary

Board approval is required to ratify execution of the Proof of Claim Form.

What Action Accomplishes

Ratifies submission of the Proof of Claim Form and allows the County Administrator to take actions that may be necessary to preserve the County's claims under the named class action suit.

Is this Action Goal Related

No

Previous Action Taken

Summary Explanation/Background

Broward County ("County") received a Notice of Pendency of Class Action, Hearing on Proposed Settlement and Attorneys' Fees Petition, and Right to Share in Net Settlement Fund ("Notice") (Exhibit 1) related to Case No. 1:19-cv-01704(JSR), a class action lawsuit filed in the United States District Court for the Southern District of New York ("Class Action Suit"). The Class Action Suit alleges that several financial institutions conspired to fix prices for unsecured government-sponsored enterprise (GSE) bonds in the secondary market. The County is a potential settlement class member in the Class Action Suit because the County has purchased GSE bonds from time to time in accordance with its investment policy.

Three (3) of the financial institutions named as defendants have proposed settlements in the Class Action Suit ("Proposed Settlement"). In order to be eligible to share in any settlement proceeds approved by the Court, the County was required to submit a claim form ("Proof of Claim Form") to the Court. The deadline to submit the Proof of Claim Form was February 5, 2020. The County

Administrator's submission of the Proof of Claim Form allowed the County to timely submit the form and preserve the County's potential interest in any proposed settlement proceeds. This item ratifies the submission of the claim form. The Office of the County Attorney notified the Board that an item seeking such ratification would be placed on the February 11, 2020, agenda (Exhibit 2).

Further action may be needed in order to preserve the County's interest in the Class Action Suit and the Proposed Settlement. Because such action may be required before an item can be placed on a Board agenda, this item also authorizes the County Administrator and the Chief Financial Officer to take any further actions as may be necessary to preserve the County's claims in the Class Action Suit, subject to review and approval as to legal sufficiency by the Office of the County Attorney, and provided that an item be placed on the next available Board agenda to ratify any such action.

Source of Additional Information

Annika E. Ashton, Deputy County Attorney, 954-357-7600

Fiscal Impact

Fiscal Impact/Cost Summary

There is no fiscal impact or cost to the County.