

Workman, Wayne (TREASURY)

From: Headen, Frederick (Treasury)
Sent: Thursday, January 07, 2016 7:42 AM
To: Khouri, Nick (TREASURY); Workman, Wayne (TREASURY)
Cc: Saxton, Thomas (Treasury)
Subject: RE: Update on Shears v City of Flint, 1-6-16

I can answer only the first question at this point. The order has not yet been issued by the court. The parties are in the process of the drafting it.

From: Khouri, Nick (TREASURY)
Sent: Thursday, January 07, 2016 6:02 AM
To: Workman, Wayne (TREASURY) <WorkmanW@michigan.gov>
Cc: Headen, Frederick (Treasury) <HeadenF@michigan.gov>; Saxton, Thomas (Treasury) <SaxtonT@michigan.gov>
Subject: Re: Update on Shears v City of Flint, 1-6-16

Couple of things

(1) when was the recent order limiting the time period issued? 9 months for \$3m vs \$30 m for 48 months doesn't add, unless usage really changed? How did we get the \$30m original estimate? Was part of it Kincaid? Is there still the ongoing \$750,000 a month risk to the city?

(2) Tom or Wayne --I'm out this morning. Please send an email to the gov right away, cc the folks in the room yesterday, and tell him something like "since our meeting yesterday, we found out the court has eliminated most of the city's exposure to a refund....

Thanks

Sent from my iPad

On Jan 6, 2016, at 9:11 PM, Workman, Wayne (TREASURY) <WorkmanW@michigan.gov> wrote:

I recall that of this number is because of the Kincaid lawsuit as well. We can just generalize about winning on part and reducing the potential liability

Sent from my iPhone

On Jan 6, 2016, at 9:05 PM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

The biggest change is the refund time frame: nine months instead of roughly 48 months. However, I caution that the \$3.0 million amount also is an estimate. We should have a better idea once the Circuit Court issues final orders and that has not yet happened.

Sent from my iPhone

On Jan 6, 2016, at 8:54 PM, Khouri, Nick (TREASURY) <KhouriN@michigan.gov> wrote:

Ok

But we sound pretty silly that it went from \$30m to \$3m in 2 hours

Sent from my iPhone

On Jan 6, 2016, at 8:51 PM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

Chris Trebilcock of Miller Canfield thinks the number is \$3.0 million. However, he indicated that he keeps requesting info from the City, but has yet to receive it.

The other thing to bear in mind is that the \$30.0 million estimate, to the extent it was ever accurate, assumed refunds from September 2011 to roughly September 2015. We now are talking about a refund period of only nine months.

Sent from my iPhone

On Jan 6, 2016, at 6:18 PM, Khouri, Nick (TREASURY) <KhouriN@michigan.gov> wrote:

Thanks

I thought we were talking about a \$30m refund?

Is the number now \$3m?

Sent from my iPhone

On Jan 6, 2016, at 5:45 PM, Headen, Frederick (Treasury) <HeadenF@michigan.gov> wrote:

All:

This is an update regarding *Shears v City of Flint*.

Background. Plaintiffs sought injunctive relief and order from