

Resolution No. 1395

**A RESOLUTION OF THE YAVAPAI COUNTY BOARD OF SUPERVISORS
AUTHORIZING PARTICIPATION IN THE NCFE LOSS RECOVERY
INTERGOVERNMENTAL AGREEMENT AND AUTHORIZING ACTIONS ON
BEHALF OF YAVAPAI COUNTY PURSUANT TO THE TERMS AND CONDITIONS
OF SAID INTERGOVERNMENTAL AGREEMENT**

WHEREAS, Yavapai County (hereinafter the "County") is empowered, pursuant to A.R.S. § 11-952(A), to enter into intergovernmental agreements and contracts for services and/or the joint exercise of powers common to the contracting parties for the purpose of joint or cooperative action incident thereto; and

WHEREAS, the County was one of the participating investors, pursuant to A.R.S. § 35-326 administered through the State Treasurer of Arizona, in the Local Government Investment Pool ("LGIP"), now having suffered financial losses as a consequence of certain acts and/or omissions of others, including matters leading to the insolvency and bankruptcy of National Century Financial Enterprises, Inc. ("NCFE"); and

WHEREAS, It has been proposed that the County enter into "the NCFE Loss Recovery Intergovernmental Agreement" (hereinafter the "NCFE IGA") with the City of Chandler, Arizona and such other public entities as may desire to join, to pursue legal action to recover the financial losses so suffered, including as part of the plan of recovery the identification, selection, retention and supervision of competent outside legal counsel to initiate and pursue all available remedies to facilitate such recovery; and

WHEREAS, the Yavapai County Board of Supervisors(hereinafter the "Board") has determined that it is the best interest of the County to enter into the NCFE IGA upon its terms and conditions and for the purposes stated therein,

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Board hereby approves the NCFE IGA, said approval to be effective as of June 1, 2003 and authorizes the Chairman of the Board to execute said Agreement on behalf of the County.
2. That the co-ordinating body established by the NCFE IGA, subject to separate proofs of claim for the County being pursued on its behalf by the Office of the Arizona Attorney General in the NCFE bankruptcy proceeding, is hereby authorized to: (1) select, retain and supervise competent legal counsel, within an attorney-client relationship and; (2) file claims and initiate litigation, as necessary, in pursuit of Yavapai County's losses and claims relating to Yavapai County's investment in the Arizona State Treasurer's Local Government Investment Pool relating to the insolvency of National Century Financial Enterprises ("NCFE"), including exercising decisional authority and; (3) following consultation with and approval by Yavapai

County, to compromise and/or settle such claims and to provide for the distribution of recovered funds.

3. That the Chairman of the Board is hereby authorized to execute such additional documents on behalf of the County as necessary to allow the County to seek recovery of lost funds in accordance with the terms and conditions of the NCFE IGA.

4. That the County hereby accepts the proposed schedule of cost contributions and revenue distributions as provided in the NCFE IGA, recognizing that the NCFE IGA and its Exhibit A are subject to modifications to reflect changes in public entity participation as provided in said Agreement.

PASSED AND APPROVED by the Board of Supervisors of Yavapai County, this 2nd day of June, 2003.



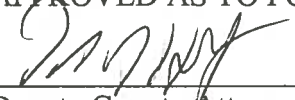
Chair, the COUNTY

ATTEST:



Clerk of the Board

APPROVED AS TO FORM:



Deputy County Attorney