

RESOLUTION NO. 2012-63

A RESOLUTION OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA (“CITY”) APPROVING AND AUTHORIZING THE WRITE-OFF ALLOCATION OF LEHMAN BROTHERS INVESTMENT IN THE LOCAL GOVERNMENT INVESTMENT POOL (“LGIP”) FOR GAS FUND AND FIREMEN’S PENSION FUND HOLDINGS, AND AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST

WHEREAS, the Mayor and Council of the City of Willcox shall have control of the finances and property of the corporation pursuant to A.R.S. Section 9-240(A) and Section 9-499.01 et seq.; and

WHEREAS, local governments in Arizona are authorized to participate in a Local Government Investment Pool (LGIP), established pursuant to A.R.S. Sections 35-326 and 41-177 operated by the State Treasurer of Arizona; and

WHEREAS, the Mayor and Council of the City of Willcox are empowered, through the Treasurer, to invest and reinvest public monies pursuant to A.R.S. Section 9-492 et seq. and desires to participate in the LGIP; and

WHEREAS, the Mayor and Council of the City of Willcox are empowered, through the Treasurer, to invest and reinvest public monies in securities and deposits with a maximum maturity date of five years pursuant to A.R.S. Section 35-323 et seq.; and

WHEREAS, the LGIP Fund allocated the CITY’s investment of \$55,443.42 in the Gas Fund, and \$2,221.76 in the Firemen’s Pension Fund as it’s share of the LGIP investment in the Lehman Brothers Investment Company; and

WHEREAS, the Arizona State Treasurer’s Office has notified the CITY that as a result of the Lehman Brothers Investment Company bankruptcy filing in September, 2009 and the recent settlement, the CITY has received approximately 53% of the value of the holdings in 2008; and

WHEREAS, the Mayor and Council desire to have this Resolution presented at the July 2nd, 2012 Council Meeting, and have determined that approval of this Resolution to formally authorize the Write-Down of the CITY’s pro-rata investment in the Lehman Brothers Investment through LGIP Pool 700 to reflect current value is in the best interest of the City of Willcox and its residents; and

WHEREAS, it is necessary for the preservation of the peace, health, and safety of the City of Willcox, Cochise County, Arizona, that an emergency be declared to exist, and that this Resolution shall be effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

Section 1: That the **CITY** formally approves and adopts Resolution No. 2012-63

Section 2: That the **CITY** does hereby authorize the write-down in the respective investment holdings as presented to Mayor and Council

Section 3: That City Staff are directed and authorized to take necessary action to carry-out the intent of this Resolution

Section 4: That the immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by Mayor and Council of the City of Willcox, Cochise County, Arizona

Section 5: That the Mayor is authorized and empowered to execute this Resolution

PASSED AND ADOPTED by the Council of the City of Willcox, Cochise County, Arizona, this 2nd day of July, 2012.

APPROVED/EXECUTED:

/s/ Robert A. Irvin
MAYOR, ROBERT A. IRVIN
Signed: 07-05-2012
APPROVED AS TO FORM:

ATTEST:

/s/ Virginia A. Mefford
City Clerk, Virginia A. Mefford

/s/ Hector M. Figueroa
City Attorney, Hector M. Figueroa, Esq.

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