

RESOLUTION NUMBER R- 297336

ADOPTED ON NOV 18 2002

RESOLUTION OF THE CITY OF SAN DIEGO AUTHORIZING  
THE CITY TO ENTER INTO AN AGREEMENT WITH THE  
SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM  
REGARDING EMPLOYER CONTRIBUTIONS

WHEREAS, on June 7, 1996, the City of San Diego ("City") proposed and the Board of Administration ("Board") of the San Diego City Employees' Retirement System ("SDCERS") agreed to the City Manager's Retirement Proposal, as modified ("Manager's Proposal") dated July 21, 1996; and

WHEREAS, the section of the Manager's Proposal labeled "Issue No. 3 - EMPLOYER CONTRIBUTION RATES" ("Section 3 of the Manager's Proposal") sets out agreements between the City and SDCERS with respect to contributions to be made by the City to SDCERS starting in Fiscal Year 1996; and

WHEREAS, these agreements were made after due consideration of the then current financial situation of the City and of SDCERS and reasonable projections of these financial situations; and

WHEREAS, the City and the Board recognize that under the current method of determining City contributions to SDCERS, the annual level of contributions has the potential to become volatile and SDCERS' funding ratio has decreased in recent years; and

WHEREAS, the City and the Board also recognize that under current fiscal circumstances, undue hardship would be imposed on the City if the Board were to require that the City immediately increase its contributions to the full projected unit credit rate calculated by SDCERS' actuary; and

WHEREAS, on June 18, 2002, the City requested that modifications be made to Section 3 of the Manager's Proposal; and

WHEREAS, on July 11, 2002, after due consideration, the Board approved modifications to Section 3 of the Manager's Proposal, contingent on an appropriate written agreement between the City and the Board; and

WHEREAS, this new agreement ("Agreement") will provide a transition period for City contributions to be brought, by fiscal year 2009, to the full contribution rates that would be applied if the projected unit credit funding method were used; and

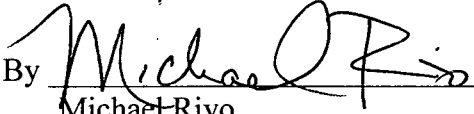
WHEREAS, this Agreement will provide accelerated contributions by the City if SDCERS' funding ratio goes below 82.3% before the end of the term of this Agreement; and

WHEREAS, this Agreement will terminate all transition arrangements with the City regarding contributions at the end of fiscal year 2009; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City of San Diego is authorized to enter into an agreement with the San Diego City Employees' Retirement System

regarding employer contributions under the terms and conditions set forth in the Agreement on  
file in the office of the City Clerk as Document No. RR- 297336.

APPROVED: CASEY GWINN, City Attorney

By   
Michael Rivo  
Deputy City Attorney

MR:ms  
11/6/02  
Or.Dept: Manager's Office  
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