

RESOLUTION NUMBER R- 299733

ADOPTED ON OCT 05 2004

WHEREAS, on September 9, 2003, the Mayor and Council established the Pension Reform Committee to study the status of the Pension Fund and to make recommendations as to how the unfunded liability should be addressed; and

WHEREAS, the Pension Reform Committee came together and established a weekly meeting schedule to examine the scope and causes of the unfunded liability; and

WHEREAS, on September 21, 2004, the Pension Reform Committee delivered its final report to council; and

WHEREAS, this report contained a series of recommendations designed to alleviate the unfunded liability of the Pension Fund; and

WHEREAS, the City Council instructed the City Manager to return to the City Council with an action plan indicating those recommendations contained in the final report of the Pension Reform Committee that can be implemented immediately; and

WHEREAS, the City Manager has conducted an initial analysis of the recommendations and has presented an action plan for the implementation of the recommendations contained in the final report of the Pension Reform Committee; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City Manager's Recommended Action Plan, as contained in Manager's Report Number 04218, is hereby adopted.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 1 is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 2, which was previously approved and placed on the ballot as Proposition G, is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 3, which was previously approved and placed on the ballot as Proposition G, is hereby approved.

BE IT FURTHER RESOLVED, that the City Manager's Recommendation related to Pension Reform Committee's Recommendation No. 4 is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 5 is hereby approved.

BE IT FURTHER RESOLVED, that the City Manager is hereby directed to pursue Pension Reform Committee's Recommendations No. 6 through 10 in the meet and confer process.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 11 is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 12 is hereby approved.

BE IT FURTHER RESOLVED, that the City Manager's Recommendation related to Pension Reform Committee's Recommendation No. 13 is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 14, which was previously approved and placed on the ballot as Proposition H, is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 15 is hereby approved and the Board of the San Diego City Employee's Retirement System is strongly urged to adopt this recommendation.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 16 is hereby approved.

BE IT FURTHER RESOLVED, that the Pension Reform Committee's Recommendation No. 17 is hereby approved.

BE IT FURTHER RESOLVED, that the City Manager is directed to engage an external expert labor advisor to assist City staff in the meet and confer process.

BE IT FURTHER RESOLVED, that City Attorney is directed to conduct a legal analysis of certain recommendations of the Pension Reform Committee related to contingent benefits and retiree health care.

BE IT FURTHER RESOLVED, that the City Manager and City Auditor & Comptroller are directed to identify and bring to City Council within 30 days a recommendation to fund the balance of FY2005 retiree health care benefits (approximately \$6.5 million total of which \$4.3 million is needed for general fund, \$2.2 million for other governmental funds.

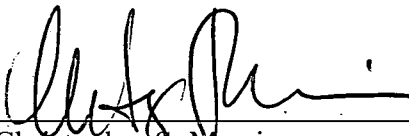
BE IT FURTHER RESOLVED, that the City Manager is directed to consider the funding of contingent benefits as a high priority in FY2006 proposed budget.

BE IT FURTHER RESOVED, that the City Manager is directed to appoint a committee by October 30, 2004 to review the entire disability retirement system and provide a status report by January 15, 2005.

BE IT FURTHER RESOLVED, the City Manager is authorized to begin the meet and confer process in October 2004, and pursue a two year salary freeze.

BE IT FURTHER RESOLVED, that the City Manager is directed to prepare an analysis of the DROP program and its effect on the Retirement System and the general fund.

APPROVED: CASEY GWINN, City Attorney

By 

Christopher S. Morris
Deputy City Attorney

CSM:smf
09/29/2004
09/30/2004 COR. COPY 2
10/16/2004 COR. COPY 3
12/07/2004 COR. COPY 4
Or.Dept:Fin.Mgmt