

(O-2006-3)

ORDINANCE NUMBER O- 19397 (NEW SERIES)

ADOPTED ON JUL 25 2005

AN ORDINANCE AMENDING ORDINANCE NO. O 19301 (NEW SERIES), AS AMENDED, ENTITLED "AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2004-2005 AND APPROPRIATING THE NECESSARY MONEY TO OPERATE THE CITY OF SAN DIEGO FOR SAID FISCAL YEAR," BY INCREASING GENERAL FUND APPROPRIATIONS IN AN AMOUNT NOT TO EXCEED \$318,186 OF SURPLUS GENERAL FUND REVENUE AND INCREASING NON-GENERAL FUND DEPARTMENT APPROPRIATIONS IN AN AMOUNT NOT TO EXCEED \$181,814 TO FUND THE UNFUNDED PORTION OF THE FISCAL YEAR 2005 RETIREE HEALTH CARE LIABILITY.

WHEREAS, in City Manager's Report No. 04-218, dated September 30, 2004, the City Manager discussed the support of the recommendation from the Pension Reform Committee that retiree health care costs no longer be funded in a manner that reduces assets of the retirement fund [Retirement Fund]; and

WHEREAS, as indicated in City Manager's Report No. 05-023, dated January 21, 2005, based on then projections of monthly health care insurance premiums, the cost of retiree health care was estimated to be \$14.4 million for Fiscal Year 2005; and

WHEREAS, City Manager's Report No. 05-023 also indicated that an amount of \$6.5 million would be needed from other sources for retiree health care costs since the balance in the 401(h) health care trust account was expected to be exhausted by mid-January 2005; and

WHEREAS, on February 1, 2005, the City Council approved the City Manager's recommendations contained in Report No. 05-023, and amended the Appropriation Ordinance through the adoption of Ordinance No. O-19354 to authorize the payment of \$6.5 million by City departments proportionally based upon the number of retirement eligible employees; and

WHEREAS, as indicated in the Request for Council Action entitled "Additional Payment of the Fiscal Year 2005 Retiree Health Care Balance", presented to the Mayor and City Council on July 18, 2005, an additional \$500,000 is needed to fully fund health care costs for Fiscal Year 2005 based upon the actual amount of vendor payment and retiree reimbursements, and that such amount will consist of an amount not to exceed \$318,186 from additional surplus General Fund revenue remaining after all year end adjustments are completed, and an amount not to exceed \$181,814 of non General Fund revenue sources.

WHEREAS, an amendment to the Annual Appropriation Ordinance is necessary in order to transfer such funds; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Ordinance No. O 19301 (New Series), as amended, entitled "AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2004-2005 AND APPROPRIATING THE NECESSARY MONEY TO OPERATE THE CITY OF SAN DIEGO FOR SAID FISCAL YEAR," be and the same is hereby amended by increasing General Fund appropriations from projected franchise fee revenues in excess of estimates in an amount not to exceed \$318,186 of surplus General Fund revenue and increasing Non-General Fund

department appropriations from fund balances or reserves in an amount not to exceed \$181,814 to fund the unfunded portion of the Fiscal Year 2005 retiree health care liability.

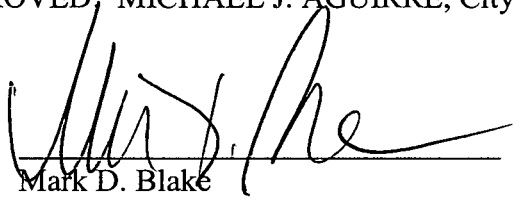
Section 2. The Auditor Controller is hereby authorized and directed to transfer an amount not to exceed \$500,000 from the contributing funds to the Retiree Health Insurance Fund to cover retirement health care expenditures. The Auditor Controller is further authorized to reimburse the Retiree Health Insurance Fund in an amount not to exceed \$500,000 to cover retirement health care expenditures.

Section 3. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This ordinance shall take effect and be in force immediately upon its adoption after two public hearings, pursuant to the authority contained in San Diego Charter sections 16, 17 and 71.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake
Deputy City Attorney

MDB:ai
07/07/05
Aud.Cert: 250115.2
Or.Dept:Fin.Mgmt
0-2006-3

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

CERTIFICATE OF UNALLOTTED BALANCE

AC 2501152

ORIGINATING DEPT. NO.: 55

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: \$500,000.00

Purpose: Authorization to amend O-19354 to increase the General Fund and Non-General Fund department appropriations to fund the unfunded portion of the FY2005 retiree health care costs. Authorizing the reimbursement of the Retiree Health Insurance Fund.

Date: July 6, 2005

By: 
 AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
					See Attached					

TOTAL AMOUNT

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: _____

Vendor: _____

Purpose: _____

Date: _____

By: _____
 AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT

AC-361 (REV 2-92)

FUND OVERRIDE

AC 2501152

O-19397

JUL 25 2005

CIVIL DIVISION
 JUL -7 AM 9:20
 ATTORNEY